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STUDY OF CIA REPORTING ON
CHINESE COMMUNIST INTERVENTION
IN THE KOREAN WAR

SEPTEMBER - DECEMBER 1950

PREPARED BY
CIA HISTORICAL STAFF
OCTOBER 1955

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STUDY OF CIA REPORTING ON
CHINESE COMMUNIST INTERVENTION IN THE KOREAN WAR

Prepared by
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PROBLEM

To make a historical survey of CIA's record in estimating and reporting on the probability of Chinese Communist intervention in the Korean War.

SCOPE

This study considers CIA written intelligence furnished between September 1 and December 1, 1950 to the President and his principal advisers on military and diplomatic policy.

These publications were in two forms: (1) estimates and quasi-estimates (ORE's; NIE's; SE's; IM's; the Review of the World Situation; and various memoranda to the Director) and (2) current intelligence (the Daily Summary; the Weekly Summary; and the Daily Korean Summary). (See Appendix B for explanation of these titles.)

As a matter of interest, germane to this study, there is added an analysis of the public controversy that broke out in 1951 over the issue of Chinese Communist intervention. This was taken from the press and other public sources. It is limited to comments bearing upon CIA and IAC intelligence having to do with intervention. (See Exhibit S.)

CONCLUSIONS

1. During the period discussed, CIA was at all times aware of the threat of Chinese Communist intervention.

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2. CIA reports and estimates left no doubt, during the period discussed, of a Chinese Communist (and Soviet) capability to intervene at any time with powerful or decisive force.

3. Indications that can now be seen to disclose an intention to intervene were frequently misinterpreted by CIA.

4. The principal reason for these misinterpretations was a failure to gauge Chinese Communist and, more particularly, Soviet strategy with respect to the Korean War accurately in the context of the world situation.

5. Although those responsible for United States strategy in the Korean War during September to December 1950 were made fully aware by CIA that Communist China represented a grave potential danger to the UN cause, the tenor of CIA reporting was such as to suggest that the danger would not materialize.

BACKGROUND

(1) Most of the intelligence cited in this study was "uncoordinated" and therefore represented the views of CIA only, though based on information received from all agencies. This was not, however, normal procedure for CIA before 1951. It is explainable for this period in terms of (a) the urgency of demands for intelligence on Korea, which often did not permit time for coordination, and (b) the circumstances outlined in (2) below.

(2) During the period in question, the organization in CIA for furnishing "national" intelligence was in a transitional stage. It was reorganized in October 1949 in answer to the Dulles Report and again in

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July 1950 as a result of demands for intelligence created by the Korean War. On November 13 an even more complete reorganization took place in conjunction with the arrival of a new administration for CIA.

In consequence of these changes, responsibility for CIA estimates on the Korean situation between July and October fell upon a somewhat hastily contrived "Special Staff" within the Office of Reports and Estimates; while after November 13, it was carried by the newly created Office of National Estimates. By October 12, furthermore, General Smith had begun signing estimates transmitted to the President, indicating that the new administration had taken charge and responsibility for estimates a month before the official organization of the Office of National Estimates.

(3) The course of events in the Korean War clearly affected the nature of intelligence estimates. During the first period (June 25 to mid-September) success of the North Koreans alone was such as to make Chinese Communist intervention seem unlikely because unnecessary. During the second period (mid-September to late November) the North Koreans were routed and ultimate victory seemed assured. When Chinese/Soviet forces did not intervene (a) at Inchon (September 15); (b) at the crossing of the 38th Parallel (October 7); or (c) at the moment when UN forces reached the Yalu (November 1), CIA appeared to adopt the assumption that they would not do so at all.

(4) The 1950 CIA estimates, when read in 1955, seem ambiguous. They frequently speak of Chinese Communist intervention through the use of "volunteers" or "Manchurian volunteers;" and this was, of course, the

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guise under which the Chinese Communist army actually did conduct its campaigns in the Korean War. It seems clear, however, from the estimates discussed below, that these terms were not used at the time with quite this possibility in mind. The estimators apparently thought of Chinese "volunteers" (who were present all through the war) as relatively unimportant additions to regular North Korean forces. There is no evidence that the estimators exactly foresaw Chinese Communist employment of full-scale military forces under the tacitly-accepted fiction that they were "volunteers" not under direct Chinese Communist control.

The failure to perceive this possibility probably to some extent explains the persistent assumption in the estimates that the Chinese Communists could not take a decisive part in the war without inevitably leading themselves and the Russians into a world conflict.

DISCUSSION

1. When the Chinese Civil War ended at the close of 1949, the Communists had some 2,017,000 men under arms with another two million in reserve. (See Exhibit A, GRE 45-49, June 16, 1949.) Many of these troops were then, and remained, concentrated along the Korean border. During 1950, Communist armies also reached the area opposite Taiwan and moved south to the borders of Hongkong and Indochina-Burma. It was evident, therefore, from 1949 onward, that all these areas were faced with a new threat. This was quickly recognized by CIA. (Exhibit A is one example.)
2. The beginning of the Korean War was seen by Central Intelligence as strictly a Soviet move in terms of world strategy. Such an analysis

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seemed irrefutable in terms of the well recognized fact that the North Korean government existed only by virtue of Soviet support and was completely subject to Soviet influence.

3. Consequently, estimates concerned with the Korean situation immediately after June 25 were written in terms of Soviet motives and intentions. (See Exhibit B, IM-300, June 28, 1950.) It was recognized, nevertheless (on the assumption that the USSR was using a method of attrition against the United States in prolonging US involvement in the war), that Chinese Communist troops might be employed "either covertly or overtly." (See Exhibit C, IM-302, July 8, 1950.)

4. Meanwhile, however, in view of the US situation in Asia, and the military strength and disposition on the Asiatic mainland of both Communist China and the USSR, the possibility had always to be taken into account that the Korean War might be in the nature of a diversionary move. The principal fears in this regard were directed toward Taiwan and Japan with secondary emphasis on Indochina, Burma and Hongkong-Macao.

5. Fears for Taiwan were reinforced by the tenor of Chinese Communist propaganda, Chinese Communist military dispositions, and the consequences of final overthrow of the Chinese Nationalists. In spite of the apparent difficulties involved for the Communists in attacking Japan, American leaders in Japan in 1950 feared for its safety because of preponderant Communist strength in the area and the weakening of the islands incident to the Korean campaign.

6. Numerous estimates were written with reference to all these possible Soviet-inspired moves. (See Appendix C.) Taken together, they

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represented an alternative that tended to distract attention from the more direct use of Chinese Communist forces in the Korean War itself.

7. As early as July 19, 1950, CIA gave special notice to the possibility of Chinese Communist intervention in these statements: "Chinese Communist troops can be brought into action covertly and, if necessary, openly;" and "It is not yet clear whether the USSR will force the Chinese Communists to give open military support to the Korean operations or to start a new operation elsewhere in the area. The Peiping regime almost certainly would comply with a Soviet request for military action." (See Exhibit D, CIA 7-50, July 19, 1950.)

8. On August 17, CIA again discussed the possibility, but in an entirely different context. In this case, the discussion was of the desirability of extending the Korean War into a military conquest of the whole peninsula. In enumerating the preponderance of adverse considerations for such a plan, CIA said, among other things, "... the invading forces might become involved in hostilities with the Chinese Communists. As it became apparent that the North Koreans were being defeated in South Korea, the Chinese might well take up defensive positions north of the 38th Parallel. The USSR might use Chinese Communist troops at any stage in the fighting, but their participation would be especially useful at the 38th Parallel where UN members could legally discontinue their support of the US policy." (See Exhibit E, "Memorandum" of August 17, 1950.)

9. On August 16, under the title, "Implications of a Military Advance in Korea beyond the 38th Parallel," CIA seems further to have

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discussed the factors affecting a decision to cross or not to cross the 38th Parallel. This was a memorandum, probably to the Director, prepared by the "Special Staff" of the Office of Reports and Estimates. It could not be found, however, in connection with this study.

10. On September 8, a week before the Inchon landings, CIA directly discussed the "Probability of Direct Chinese Communist Intervention in Korea." (See Exhibit F, IM-324, of September 8, 1950.) This estimate spoke of some 400,000 Chinese Communist troops near or moving toward the Korean border and stated: "It is clear that intervention in Korea is well within immediate Chinese Communist capabilities." It further reported that: (a) military construction had been observed along the Yalu, (b) Chinese Communist aircraft had arrived in the same area; (c) recent Communist propaganda "may be stage-setting for an imminent overt move"; and (d) replacements must be supplied to the North Koreans if they were "to achieve complete control over South Korea before the end of the year."

The estimate of September 8 concluded, however: "In view of the momentous repercussions from such an overt action ... it appears more probable that the Chinese Communist participation in the Korean conflict will be more indirect, although significant, and will be limited to integrating into the North Korean forces 'Manchurian volunteers', perhaps including air units as well as ground forces."

11. On September 20, CIA again took up this theme:

"The concentration of Chinese Communist troops near the Korean border in Manchuria constitutes a powerful secondary

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reserve for the North Korean forces, which, if Moscow and Peiping should agree on it despite the attendant risks, could enter the battle and materially change its course at any time.

"It is doubtful that either Soviet or Chinese Communist forces will be committed south of the 38th parallel. Moscow and Peiping are much more likely to aid the Communist cause in Korea by releasing large numbers of trained Chinese Communist (Manchurian 'volunteer') units, perhaps including small air units, for incorporation in the North Korean forces." (See Exhibit G, CIA 9-50, September 20, 1950.)

12. On October 12, 1950, three days before President Truman's conference with General MacArthur on Wake Island and five days after the UN decision to cross the 38th Parallel as well as five days after a new administration had taken control of the Agency, CIA gave what might be termed its most official view to date on the subject of intervention, in that the estimate had the concurrence of all members of the IAC. On this date, reporting directly to the President, CIA said:

"The Chinese Communist ground forces, currently lacking requisite air and naval support, are capable of intervening effectively, but not necessarily decisively, in the Korean conflict. There are no convincing indications of an actual Chinese Communist intention to resort to full-scale intervention in Korea. After reviewing the factors favoring, and those opposing, Chinese Communist intervention, it is concluded that while full-scale Chinese Communist intervention in Korea

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must be regarded as a continuing possibility, a consideration of all known factors leads to the conclusion that barring a Soviet decision for global war, such action is not probable in 1950. During this period, intervention will probably be confined to continued covert assistance to the North Koreans." (See Exhibit H, ORE 58-50, October 12, 1950.)

Because this conclusion was made to depend on an assumption that the USSR did not wish to become involved in global war, this assumption is bolstered with an elaborate discussion of Soviet intentions from the IAC point of view. Primarily on the basis of this assumption, the estimators discounted Manchurian troop movements, Chou En-lai's threats, factors enumerated by themselves said to favor intervention from the Communist point of view and various other indicators. (See, for example, Exhibits O, P, Q, and R.)

The estimate of October 12 might be considered crucial in terms of the time of publication (the Chinese Communists had apparently not reacted to the crossing of the 38th Parallel), and the fully official nature of the statement. Thereafter, CIA could not very well make a contrary statement unless this one was revised.

13. On October 18, the day before the UN capture of Pyongyang, CIA wrote optimistically that, "The Soviet Korean venture has ended in failure." Consequently, it appeared that the Communists would accept this failure by aiding the North Koreans to hold on as long as possible and then to turn to harassing guerrilla warfare.

Chinese Communist capabilities were noted again, together with

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the fact that "Forty to sixty thousand Chinese-trained Communist troops have, in fact, already been fighting in the North Korean army." It was "becoming less and less likely," however, that Chinese Communist troops would enter the war "openly." The estimate about Soviet intentions toward global war is repeated in support of the statement. (See Exhibit I, CIA 10-50, October 18, 1950.)

14. CIA's statements of October 18 must have been questioned, for on November 1, the Director of Central Intelligence signed an apparently uncoordinated "Memorandum for the President" on the subject: "Chinese Communist Intervention in Korea." This memorandum admitted that "between 15,000 and 20,000 Chinese Communist troops, organized in task force units, are operating in North Korea while the parent units remain in Manchuria." Largely on the basis of current Chinese Communist propaganda regarding protection of the Suiho Hydroelectric Zone, however, the memorandum concluded that: "Although the possibility cannot be excluded that the Chinese Communists, under Soviet direction, are committing themselves to full-scale intervention in Korea, their main motivation at present appears to be to establish in Korea a limited 'cordon sanitaire' south of the Yalu River." The emphasis of the memorandum was on the Sino-Soviet desire to protect the Suiho hydroelectric system. Their strategy, the memorandum noted: "would also be in line with the general desire to further international Communism by helping the North Koreans prolong their resistance." (See Exhibit J, Memorandum for the President, of 1 November 1950.)

15. On November 6, at least four days after signs of actual intervention had been observed elsewhere than in CIA (see Appendix A), CIA,

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in a fully concurred National Intelligence Estimate, stated that the Chinese Communists had the capability of (a) halting further UN advance northward, "through piecemeal commitment of troops"; or (b) "forcing UN withdrawal to defensive positions farther south by a powerful assault."

The estimate seemed inclined to the opinion, however, that the situation would be stabilized for the winter as both sides built up forces. It pointed out that (a) the situation was filled with risks of world conflict; (b) the Chinese realized the danger of retaliation; and (c) they would enter Korea in full force if their territory were attacked. (See Exhibit K, NIE-2, November 6, 1950.)

16. By November 15, CIA was conceding intervention by implication at least, but interpreted it in terms of a Soviet decision to accept the risk of global war, which CIA still considered improbable. Hence, the inference was left that intervention would not reach dangerous proportions. (See Exhibits L and M; NIE 3 and CIA 11-50 November 15, 1950.)

17. On November 24, two days before the Chinese Communist-North Korean offensive was begun, which one month later had driven UN forces from the Yalu to positions south of the 38th Parallel, CIA estimated that the enemy would: " ... simultaneously: (a) Maintain Chinese-North Korean holding operations in North Korea; (b) Maintain or increase their military strength in Manchuria; and (c) Seek to obtain UN withdrawal from Korea by intimidation and diplomatic means." The estimate added that: "Eventually they may undertake operations designed to bring about the withdrawal of UN forces from Korea. It is estimated that they do not have the military

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capability of driving the UN forces from the peninsula, but that they do have the capability of forcing them to withdraw to defensive positions for prolonged and inconclusive operations, which, the Communists might calculate, would lead to eventual UN withdrawal from Korea." (See Exhibit N, NIE 2/1, November 24, 1950.)

18. In addition to CIA's several formal estimates and evaluations on Korea between July and November 1950, CIA reported some 40 items of current intelligence bearing on the capabilities and intentions of Communist China in Korea. These items appeared in its two regular bulletins -- most of them in the CIA Daily Summary, but significant other items exclusively in the CIA Weekly Summary. Most of these current reports were quoted from IAC agency non-clandestine sources and most of them were followed by CIA comments, usually phrased in estimative language. These comments, which, of course, were not coordinated with the IAC agencies, were nevertheless not inconsistent with the formal estimates discussed above.

In retrospect, however, with the benefit of historical hindsight, these items are astonishing in the persistence of a number of conclusions which proved to be wrong. Thus, CIA seemed to regard the alleged Soviet and Chinese fear of "general war" as the all-important factor of restraint against intervention in Korea. CIA consistently discounted reports of war conferences and intervention decisions in Peiping between August and October; and repeatedly discounted specific indications of Chinese Communist war preparations and troop movements, up to as late as 3 November. Finally, once intervention was actually accomplished in November, CIA tended to regard China's moves as largely "defensive" and based on its fears for the

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Yalu hydroelectric area; and predicted that the Chinese might soon withdraw.

Digests of CIA's current intelligence reporting on Communist China and Korea, September - November 1950, are appended below. (See Exhibits O and P.)

19. The Chinese Communist intervention issue was also treated in another CIA publication -- the Daily Korean Summary (see Appendix B) -- which is surveyed more fully in Exhibit Q. In this publication there are occasional (but less frequent) estimative conclusions on Chinese Communist intentions in North Korea, together with numerous on-the-spot indications of CHICOM troop movements and actions quoted (usually without CIA comment) from estimates by US Embassy Seoul, by UN Command Headquarters in Tokyo, Far East Command Headquarters, 8th Army Headquarters, and the various US Corps operating in that area. While the latter four military echelons sometimes appear to be disagreeing with each other, their conclusions (in the Daily Korean Summary) are not in general inconsistent with estimates (see Exhibits A-C).

20. Relevant reports, totalling more than 500, were collected by CIA from its own sources, during the critical period July-November 1950. (See Exhibit R, "Summary of CIA-Collected Information, July-December 1950, bearing on Communist China's Intentions in Korea.") Figuring in this broad coverage by CIA were the following: OO/C's contacts (some of them with indirect access behind the Iron and Bamboo Curtains); OO/FBID's regular and special analyses of Soviet and CHICOM propaganda broadcasts;

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OC/FDD's extensive analysis of Far Eastern newspapers and other public media (some with a Communist slant and others oriented to the West); and finally (and most numerous) CSC's reports from clandestine sources. All of these items of information added up to a variety of military, economic, and political indications of Chinese moves -- including moves which today, in retrospect, can be regarded as indications of the coming military intervention.

21. CIA's record of reporting and estimating on the threat of Chinese intervention was drawn into public controversy, in the Senate and the press, between April and June 1951, in connection with President Truman's dismissal of General MacArthur. While only one of the three DCI's involved (Admiral Hillenkoetter) was prevailed on to comment publicly on CIA's record, the heads of the two major IAC agencies (the Secretaries of State and Defense) were each questioned at some length in the Senate hearings. General MacArthur and members of his immediate staff also commented at length, both in 1951 and in subsequent memoirs published on MacArthur's behalf in 1954 and 1955. President Truman was also drawn into the controversy.

While Admiral Hillenkoetter and President Truman could not recall that CIA had disseminated any advance intelligence indications of the Chinese threat, it is clear, from the comments by the other principals, that both CIA and the several IAC agencies, together with MacArthur's command in the Far East, were collecting and exchanging a variety of intervention indications well before the overt attack was launched. Conversely, it seems clear from the public record that CIA, the several

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IAC agencies, and MacArthur's command were all in essential agreement, in the considered estimates which each produced, that intervention would not come. It is less clear, however, from the record of the public controversy, what prompted these negative conclusions in the face of these positive indications.

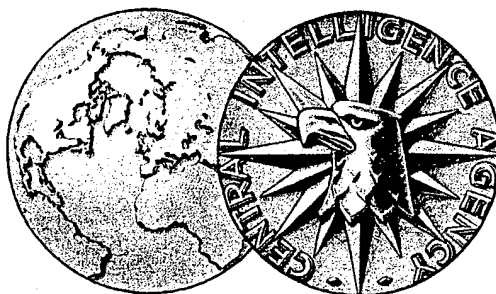
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PROBABLE DEVELOPMENTS IN CHINA



ORE 45-49

Published 16 June 1949

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PROBABLE DEVELOPMENTS IN CHINA

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PROBABLE DEVELOPMENTS IN CHINA

SUMMARY

Introductory Note: The purpose of the following discussion is to present probable developments in China which will affect US interests during the next six to twelve months.

1. Communist military forces are capable during the summer months of 1949 of destroying all semblance of unity in the National Government of China; and before the year is out, the Communists will have formed a central government which will seek international recognition.

2. The US cannot reverse or significantly check this course of events, nor is there any prospect that the Soviet orientation of the Chinese Communists can be altered in the immediate future. However, during the coming months, developments in China will raise a number of problems on which the US may either take action advancing, or avoid action compromising, its interests in China and elsewhere. Chief among these are the formation of a Communist central government claiming international recognition, Communist aims regarding Taiwan and Hong Kong, the Communist need for foreign trade, and US aid to anti-Communist groups in China. In addition, US interests probably will be affected adversely by the expansion of Communist influence throughout the Far East, particularly if a Chinese Communist regime gains seats on the Far Eastern Commission and the Allied Council for Japan, and acquires China's claims regarding a future Japanese peace treaty.

3. The government to be organized by the Chinese Communists will be proclaimed as a "coalition," but actually will be a Communist dictatorship. In foreign affairs the Communists during the coming months will continue to be solidly aligned with the USSR. The new regime will honor the Sino-Soviet Treaty of 1945 and its attitude in international relations will be governed by the Moscow line. It will probably maintain an unfriendly attitude toward the US in particular and all other governments that impede the world Communist movement, as well as denounce China's existing international agreements with those governments.

4. Communist armed forces, now decisively superior to the Nationalists, will continue their program of area-by-area acquisition. They are capable of eliminating all effective military resistance in the south, southwest, and northwest by the end of 1950.

5. The Chinese Communists will probably not be faced with serious food shortages during the next year. Some progress will be made in reviving transportation and industry, and the Communists will have a relatively stable currency. The Communists' principal economic problem in the coming months will be that of acquiring petroleum, machinery, and perhaps cotton. There is little prospect of substantial Soviet aid, and domestic resources must be supplemented by these essential imports. Therefore, China's economic recovery during the next year will probably depend on active Western trade and close ties with occupied Japan.

Note: The intelligence organizations of the Departments of Army, Navy, and the Air Force have concurred in this report; for a dissent of the Intelligence Organization of the Department of State, see Enclosure A, p. 21. This report contains information available to CIA as of 2 June 1949.

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PROBABLE DEVELOPMENTS IN CHINA

Introductory Note: The purpose of the following discussion is to present probable developments in China which will affect US interests during the next six to twelve months.

1. Imminent Problems for the US Arising out of Developments in China.

The Chinese Communist armies have the capability, during the summer months of 1949, of completing their campaign in the Yangtze Valley, from the eastern border of Szechwan to the sea, and of dislodging the Nationalists from Canton and other ports on the southeast coast during this same period. Their military operations in this period will destroy all semblance of unity in the present National Government, the remnants of which will seek refuge in Taiwan, southwest and northwest China, or in flight abroad. In late summer or early autumn, the Chinese Communist Party will convoke a Political Consultative Conference to form and proclaim a Communist-controlled government for all China before the end of 1949. At that time, Communist China will contain more than half of China's people, and, if not more than half of China's territory, at least the larger part of its most productive areas. The Communist Government then will seek recognition as the national government of China.

The US cannot reverse the course of the Chinese civil conflict nor induce the Chinese Communists to modify their intention to establish a Communist dictatorship over China. Also, there is no prospect that the US can alter the Soviet orientation of the Chinese Communists in the immediate future. During the next few months, however, there will be a number of developments in China affecting US interests such as: (1) possible incidents involving US armed forces, officials, and nationals; (2) sharpening of the Communist-Nationalist struggle for Taiwan, where US strategic interests are involved; (3) Chinese Communist designs on Hong Kong and Macao; (4) US aid to anti-Communist groups in China; (5) the

Communist need for foreign trade; (6) the establishment of a Communist central regime seeking international recognition, and; (7) the expansion of Chinese Communist influence throughout the Far East.

It is known that the leaders of the Chinese Communists desire international recognition for their regime, and that they also desire commercial relations with the West and with Japan. These facts may permit the US, in the course of the next several months, either to take action advancing or to avoid action compromising certain of its interests in China and elsewhere in the Far East.

a. Possible Incidents.

In firing upon British warships in the Yangtze, the Communists demonstrated that they are prepared to risk reprisals in order to substantiate their promise to protect China from "imperialist aggression." The Chinese Communist Party (CCP) undoubtedly gained face within China and elsewhere in Asia by this action, and it is possible that the Communists will again take advantage of any opportunities which arise for military action against foreign armed forces. The opportunities for local incidents involving foreign officials and nationals have become much more numerous with the CCP occupation of major cities—as suggested by the forced entry of the US Ambassador's residence by Communist soldiers during their occupation of Nanking. Incidents involving the mistreatment of foreign nationals and the destruction or seizure of foreign property are likely. If the Communist regime should request, and be refused recognition, it is highly probable that such incidents will multiply, with CCP connivance. If the US should extend further support to the Nationalists, such incidents can reach serious proportions.

b. Taiwan.

There is no doubt that the CCP desires to extend its control over the island of Taiwan,

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d. US Aid to Anti-Communist Groups.

The US is the best available source for the small arms, artillery and ammunition desired by the remaining anti-Communist forces, and it may be anticipated that such forces, individually or in the name of the National Government, will appeal to the US to supply such materiel. However, major anti-Communist forces controlled by Chiang Kai-shek, Chang Chun, and the Moslem leaders of the northwest, Ma Pu-fang and Ma Hung-kuei, even now are located either off the mainland or in the peripheral areas of China. In addition, there is some doubt as to whether any of those forces, except those of the two Mas, could usefully employ further US aid. Chiang's forces on Taiwan already have extensive military and economic resources. Chang Chun's forces in Szechwan do not need economic aid. Moreover, it is improbable that military aid to these forces can prevent the Communists from extending their control over Szechwan at any time they choose to do so.

The Mas of the Northwest (the provinces of Ningsia, Kansu, and Tsinghai) with the advantages of forbidding terrain, excellent organization, and hardy troops, are in the strongest defensive position of any of the remaining anti-Communist forces in China. Moreover, on the basis of past performance, the Mas, as compared with other anti-Communist groups, would make the most effective use of any aid which they might be given. However, their bases in the provinces of Tsinghai and Ningsia are the most difficult to reach with US aid, which probably would have to be transported by air. The Northwest area is self-sufficient in food, and may hold out for several years even without US aid, either because the Communists will be reluctant to attack or will favor its development as a buffer against the expansion of the USSR into China through Sinkiang.

Overt US aid to anti-Communist forces in China would compromise the maintenance of normal diplomatic and commercial relations with the Communist-controlled regime, in the event that the US should choose to follow a policy of recognizing such a regime. Furthermore, US military aid to any anti-Communist forces other than the Mas, might well go the

way of the bulk of US aid supplied to the Nationalists in the past—to the Communists. Aid of the type and proportions extended hitherto to the National Government, at best, could delay but will fail to prevent the extension of Communist rule through all China.

A further consideration is the continuation of US aid to Nationalist China, as provided for in the China Aid Program. With Nationalist-held areas soon to be limited to Taiwan and the western provinces of China, it will be difficult to justify the US program on humanitarian grounds as aid to the Chinese people as a whole. Thus the US would become increasingly vulnerable to Communist propaganda, attacking the US aid program as designed solely to bolster and prolong resistance on the part of anti-Communist remnants.

e. Communist Need for Foreign Trade.

Communist import requirements provide the US with a possible weapon against Communist China. Depriving the Communists of essential imports would retard the rehabilitation of China and increase the economic difficulties that will confront the CCP. Some essential imports, chiefly petroleum products and items of capital equipment, can be obtained in quantity only from the US or UK. The USSR, without some sacrifices in its domestic economy, will be unable to supply many kinds of equipment, will provide inferior goods in other cases, and will probably make heavy demands on China in exchange for its assistance.

The controls to be used would probably not be effective if they were so severe as to be in fact an embargo. It is doubtful if the US could arrange for concerted support for an embargo among the Western Powers, and the Communists would gain sympathy and support within China by representing an embargo as "imperialist" persecution. Limited export controls on selected commodities such as petroleum and capital goods probably would be acceptable to the UK, which has the largest economic interests of any Western Power in China, and would probably serve US purposes just as well as a complete embargo.

(3) *Delayed Recognition.*

Should the US delay, for a period of several months to a year or more, in according *de jure* recognition to the Communist regime in China, some of the disadvantages of both non-recognition and immediate recognition might be obviated. Since the Communists are interested in obtaining *de jure* recognition as soon as possible, they might be inclined to discuss, and to reach some prior understanding with the US regarding present and future treaties and the number and location of US consular offices in China. This period would also afford other Western governments an opportunity to bring political and economic pressure on the Communist regime. Concerted action by Atlantic Pact powers, which have indicated a desire to maintain a common front, can be anticipated if the delay in according *de jure* recognition is not prolonged to the point where it would become inimicable to their interests. Through the period of a common front, however, there would always be the risk that other governments, seeking special advantage by early action, would proceed unilaterally to extend *de jure* recognition. The Communists can be expected to follow, and probably to improve upon, the traditional Chinese diplomatic practice of playing one power against another.

g. Chinese Communist Influence throughout the Far East.

The CCP has indicated its interest in uniting one billion Orientals in a Communist Asia. To this end, the CCP industriously propagates the view that Communism is inevitable in Asia, and that only the Communists are the champions of Asian "independence." The prestige of Communism will increase enormously as the CCP extends its control over all of China.

(1) *Japan and Korea.*

The CCP has stated that China and Japan "can and should establish close friendship" and has warned that Japan must conclude a peace treaty with a Communist-controlled government of China. The CCP is attempting to open trade with Japan, and the Japanese Communist Party echoes the CCP line that only "democratic" forces can successfully

conduct commercial and political relations with China. In Korea, the CCP's successes have contributed greatly to the confidence of the North Korean regime and to the feeling of defeatism in the Republic of Korea. Through its relationship with North Korean leaders, the CCP is capable of providing significant military and economic aid to North Korea. The opportunity of South Korean leaders to offset the development of such an adverse trend has largely passed and it now appears that South Korea can do little to forestall such a development. Recognition by the Western Powers of the CCP's regime would be to the advantage of Communist China both politically and economically, insofar as it permitted trade between China and Japan. *De jure* recognition would give the Chinese Communists further opportunity to claim seats on the Far Eastern Commission and on the Allied Council for Japan, as well as weaken further the position of the Korean Republic's government.

(2) *Southeast Asia.*

The CCP is extending its influence throughout Southeast Asia by identifying itself with native independence movements, by denouncing "reactionary" colonial governments, by threatening "fascist" non-colonial governments, and by promising protection to overseas Chinese communities. *De facto* recognition of the Communist regime by the Western Powers would tend to increase the political and economic influence of the CCP in Southeast Asia. To withhold *de jure* recognition would make the CCP's work in Southeast Asia somewhat more difficult, but the governments and the Chinese overseas communities in that area would pay little heed to such a legalism. The Chinese communities will tend to orient themselves toward the CCP as it acquires control of China although there may be significant resistance elements among the overseas Chinese. Likewise the governments in Southeast Asia will adjust themselves to these new circumstances, whether for accommodation or resistance. The CCP will probably not employ military force to gain its objectives in Southeast Asia and it has no significant economic resources with which to maneuver. Its success in China, however, will

citizens, they must give at least *de facto* recognition to the regime.

(b) *The "Coalition" Pattern.* The CCP has promised to convoke a Political Consultative Conference in 1949 to form and proclaim a "coalition" government. The Kuomintang as a Party will be excluded from this new "coalition." The CCP has frankly stated that the intended "coalition" government will be "under the firm leadership of the CCP." The concept of "coalition" derives from the larger concept of Chairman Mao's "new democracy," the name given to the transitional stage from today's "capitalist" society to the later "socialist" society. In structure, the "coalition" will include three major blocs: (1) the CCP; (2) non-Communist "democratic parties" which follow the CCP line, such as the Democratic League and the Kuomintang Revolutionary Committee and; (3) "democratic elements," occupational and functional groups which invariably support the CCP's position. While this government will permit some degree of popular participation in the election of representative bodies, all real power will be concentrated in the CCP, whose function it is to "guide" the backward masses.

(c) *Political Consultative Conference.* The Political Consultative Conference will be the medium for creating a new constitutional system and for obtaining some degree of domestic sanction for the new regime, just as the Political Consultative Conference held in 1946 was a symbol of potential National unity. The Chinese Communist Party will convoke this Conference in its own name and in the name of minority parties and functional groups which follow the Communist line, probably in the late summer or early autumn of 1949, after they have consolidated their control of the Yangtze valley. It is not known whether the Conference will consist of a few dozen or several hundred persons; in either case, the Communists will control it firmly. The Conference will either draft and ratify a constitution, or, possibly working through a committee established for that purpose, draft a constitution and set a date for elections to a "constitutional convention." In the latter event, promulgation of the constitution and formal establishment of a constitutional gov-

ernment would be delayed until 1950. In any case, the Conference will simply be a rubber-stamp congress summoned to approve in the name of "the people" policies predetermined by the Communists while its constitution, formally providing for various rights, will, in fact, bestow no rights which the Communists cannot take away.

(d) *Domestic Sanction for the New Order.* In order to gain domestic sanction for the Communist-controlled regime, the CCP, in conjunction with the Political Consultative Conference, will probably exploit the alleged affinities of Communist doctrine and practice with the theories of Sun Yat-sen, generally regarded within China as the "father" of the Republic. The CCP claims that Sun's famous Three People's Principles—"nationalism, democracy, livelihood"—have been more closely followed by the Communists than by the Kuomintang. It points to Sun's advocacy, in the 1920's, of "alliance with the Soviet Union, alliance with the Communists, alliance with the workers and peasants." The CCP may also cite the 1924-27 period, when the Communists were admitted to the Kuomintang by Sun himself, and insist that only the CCP has truly carried out the terms of Sun's will by ushering in the constitutional stage of government which he demanded. The CCP will by no means deify Sun Yat-sen, but his tradition can be very useful in smoothing the Party's path.

(3) *Foreign Relations.*

(a) *Sino-Asian.*

(i) *Japan and Korea.* The CCP, in a broadcast attempting to influence the Japanese elections of January 1949, stated that China and Japan "can and should establish close friendship," and pointed out that Japan must conclude a peace treaty with a Communist-controlled government of China and establish economic and political relations with it. More recently, the CCP has been attempting to open trade with Japan. There is little doubt that China will exert economic pressure and political influence on both Japan and Korea, possibly with a view to subordinating those countries to itself in a Communist Asia. The CCP maintains close relations with Com-

fervor as China's outstanding enemy. The CCP has represented the US as the leader and supporter of all "imperialist" and "reactionary" forces in the world, as forcing "traitorous" treaties upon China in exchange for financing the Nationalists in the civil conflict, as directing the military operations of the Nationalists and encouraging them to reject the Communist-dictated "peace agreement," and as plotting with forces inside and outside China to destroy the CCP and keep the Orient in permanent slavery.

While the CCP has understandable grounds for resenting the US contribution to the Nationalists' military operations, the CCP's present anti-Americanism is primarily dictated by the opposite CCP and US positions regarding the USSR and world Communism. US official representatives and private citizens in Communist China, although not subjected to physical violence, have been restricted in their movements and in the discharge of their consular, commercial, or educational functions, while the CCP is exploiting the US loss of prestige in China and enhancing its own prestige by an intransigent attitude toward the Western Powers. The "coalition" government will presumably invite US recognition and attempt to conclude commercial treaties with the US but the CCP can be expected to give aggressive support to Soviet and satellite diplomacy, to continue its vigorous and irresponsible anti-American propaganda, to bring pressure upon the US to withdraw its assistance to Nationalist remnants on Taiwan and to make the work of US diplomatic missions difficult. At present, there is little chance of orienting the CCP away from the USSR.

(d) *Other Foreign Relations.* The CCP has adopted an attitude toward foreign governments hostile in proportion to the degree that those governments are impeding the world Communist movement, regardless of whether such governments have or have not supported the Nationalists in the Chinese civil conflict. The fact that the UK has been of service to the CCP, in affording sanctuary and an operating base to CCP leaders in Hong Kong, did not restrain Communist forces from

firing upon British warships in the Yangtze. Neither will it prevent the CCP from demanding the return of Hong Kong to China nor will it obviate the possibility of giving support to terrorist bands operating against the British in Malaya.

The CCP undoubtedly intends to deprive Portugal of the colony of Macao, by negotiations, if possible, but by military action if necessary. The French Government has been denounced by the CCP for encouraging US "imperialism" in China and for its actions in Indochina. The Netherlands Government has been similarly castigated by the CCP in regard to Indonesia. All other Atlantic Pact states have been the targets of CCP propaganda abuse, both for joining the Pact and for other "reactionary" activities. India, which is probably recognized by the CCP as its principal rival for leadership in Asia, is characterized as remaining under the influence of British "imperialism."

Representatives of the Commonwealth countries and of a number of European governments in China have expressed a desire to become accredited to the Communist regime soon after it is proclaimed. These representatives would like to regularize their status by early recognition of the Communists in order to protect and perhaps expand their present interests in China. They have not regarded the prospect of applying economic sanctions to China with favor and they apparently anticipate profitable commercial relations with the new regime in varying degrees. At the same time, the governments of most Commonwealth and Atlantic Pact nations have admitted the desirability of maintaining a united front on the question of recognition.

b. Nationalist China.

Nationalist China is virtually bankrupt and the National Government is in its death-throes. The process of disintegration and fragmentation is so far advanced as to render almost impossible the establishment of a functioning government or even a loosely organized coalition capable of offering resistance to the Communists.

The National Government no longer functions as an organized administration even on

While such antagonistic measures might be directed against the USSR on the one hand, the National Government might at the same time effect an apparent rapprochement with the Soviet Union and conclude agreements involving further concessions, particularly in Sinkiang and the Northwest provinces.

In its last stages of existence, Nationalist China may turn its wrath against the US. In Nationalist thinking, the US is largely responsible for the Yalta agreement, and the US postwar policy of mediation in the civil war and intermittent limited assistance have facilitated the Communist triumph. Such feelings will be intensified if the US rejects further appeals for aid and evidences interest in recognizing a future Communist-dominated Chinese Government.

3. Military Situation.

a. General Strategy.

The objective of the Chinese Communist forces is the elimination of all anti-Communist armed resistance in China. To attain this objective the Chinese Communist Party has employed the strategy of using military force as a medium of realizing their political objectives. Communist control over the remainder of China will be accomplished by means of an area-by-area program of military acquisition, dictated to a large degree by the state of their political preparedness for administering these areas.

The remaining Nationalist or anti-Communist forces have now adopted the strategy of avoiding decisive military action, while at the same time attempting to deny territory to the Chinese Communists as long as possible.

b. Communist Armed Forces.

The Chinese Communist Forces possess sufficient wealth in material and manpower to overcome all anti-Communist remnants in China. Having already eliminated the majority of the best Nationalist armies, the CCP is now in the process of consolidating its recent virtually unopposed military conquest of the Yangtze valley. In consequence, Communist armies, free to accelerate their movements to the south and the west, appear to be headed toward Kwangtung. As elsewhere, however, the speed and magnitude of this operation

probably will be limited in some degree by the abilities of the CCP political organization to assume the additional administrative responsibilities.

Recent CCF victories have brought with them the new responsibility of protecting communications, urban life, and industry. Consequently a considerable portion of CCF must be utilized to garrison "liberated" areas and maintain lines of communication.

(1) Strength and Disposition of Communist Ground Forces.

The Communist regular forces comprised of the field forces and Military District troops now total approximately 2,017,000 (see Table, p. 14), thus giving the CCF a decisive numerical superiority over the Nationalists in combat strength. These regular forces, particularly the field forces, are characterized by good leadership, good equipment, high morale and discipline, as well as excellence in intelligence and the employment of propaganda. In addition to the regulars, there are irregular forces, known as the People's Militia, generally local in character and function, totalling perhaps 2,000,000. Such forces, on occasion in the past, have supplemented the regulars during a campaign. In the future, they will probably be occupied largely with the task of policing CCP areas. A third potential source of manpower comes from Nationalist troops which have fallen into Communist hands. Of these, approximately 90,000 have been integrated into the CCF. Communist regulars will also be greatly assisted in their drive south by dissidents, bandits, and irregular Communist bands, already in control of wide rural stretches in the southern provinces.

(2) Air Force.

The Chinese Communist Air Force made its first public appearance during 1949 May Day celebrations in the Mukden area. Both B-25 and F-51 type aircraft participated in the air parade. The Communists are known to have obtained by defection or capture at least 38 operational aircraft including bombers, fighters, transports, and trainers. The actual number of pilot defections is believed to be substantially greater than the 20 known cases although the Communist claim of 2,000 is con-

water transport net. A north-south rail line from Manchuria to the Yangtze has already been opened.

c. Anti-Communist Armed Forces.

The Chinese Nationalist armed forces, although defeated by the Communists and lacking cohesive command structure at present, were not beaten by the sheer force of arms. Very few major battles, such as those witnessed in World War II, were fought. From the resumption of Nationalist-Communist hostilities in May 1946 until September 1948, the Chinese Communists employed guerrilla tactics of hit, ruin and run, with resultant minor but effective actions. In September 1948, the Chinese Communists stormed Nationalist Tsinan, where, much to the Communists' surprise, key Nationalist defections brought about by the disintegration of local troop morale led to the collapse of government resistance. The debacle at Tsinan established the pattern for subsequent defections; from September 1948 to May 1949, a rising wave of mass defections, sell-outs, and general unwillingness to fight swept through the Nationalist armed forces. The defeat of the Chinese Nationalist Army, therefore, can be attributed basically to internal decay. Although the strategic error of over-extension of forces contributed in part, the basic reasons for Nationalist defeat were, and continue to be: (1) army politics, which kept militarily incompetent officers in positions of high command; (2) the personal command of all combat areas exercised by Chiang Kai-shek, which prevented independent tactical action by field commanders; (3) accelerating economic decay, which resulted in inadequate pay, food, clothing, and equipment for the troops; and (4) graft and corruption, practiced by senior officers at the expense of their troops.

In consequence of these conditions, Nationalist morale disintegrated from top to bottom and Nationalist forces lost the all-important "will to fight." Nationalist armed forces, today, have ceased to be an organized, cohesive and centrally directed military machine. They now exist as a group of widely scattered, disorganized, and uncoordinated regional anti-Communist "warlord" forces.

(1) Strength and Disposition of Nationalist Ground Forces.

The strength of the remaining anti-Communist armies in China totals approximately 720,000 regular combat troops. In addition, there are some 500,000 service troops dispersed throughout the remaining areas of Nationalist operation (see Table, p. 16).

The "combat" forces listed in the accompanying table include a high percentage of poorly trained and ill-equipped provincial levies. Not included are an undetermined number of local (Peace Preservation Corps) troops.

At present, there are basically four separate centers of potential anti-Communist resistance in China. These are: (1) the southeast (including Taiwan) directly under Chiang Kai-shek—approximate strength, 300,000; (2) the southern provinces of Kwangtung and Kwangsi, under Li Tsung-jen and Pai Chung-hsi—approximate strength, 200,000 plus; (3) the southwest, under Chang Chun (possibly including the troops of Hu Tsung-nan)—approximate strength 225,000; and (4) the northwest, under Ma Pu-fang and Ma Hung-kwei—approximate strength, 100,000.

(2) Air Force.

The Nationalist Air Force has from 85,000–100,000 men and approximately 1000 aircraft, of which 600 are reportedly operational. The potential of the CAF has also been reduced by losses through defection and capture. Five-sixths of the CAF's total of 1,000 aircraft have been transferred to Taiwan. Because of maintenance difficulties and operational accidents only 35 percent of the operational aircraft are effective. The morale of the air forces, although somewhat higher than the ground forces due to differences in pay scales, is still very low. Consequently, CCP propaganda has found and continues to find a receptive audience in the ranks of the air force.

(3) Navy.

The Nationalist Navy, lately weakened by the loss of upwards of 63 craft (of which at least a light cruiser, destroyer escort, and a gunboat have been destroyed or disabled) has approximately 150 ships, not including harbor craft, and about 30,000 men. Navy morale, as

churia south to Kwangtung and from the eastern border of Szechwan to the sea.

(1) *Communist Military Problems.*

Although the Communist forces have all the advantages at present, when they move to eliminate the last areas of resistance they will face certain entirely new problems. The Communist armies will be moving into extremely rough mountainous terrain in their drive to the southwest and the northwest. In order to support their occupation armies adequately, they must of necessity greatly extend their lines of supply and communication into these food-deficit areas. Although Communist forces will be greatly assisted by dissidents, bandits, and irregular CCP bands in the south and southwest provinces, they will, particularly in the northwest, be moving into a great expanse of territory where the local populace is either actively or potentially hostile. The expanding Communist armies will also face the problem of how to feed, clothe, indoctrinate, and otherwise dispose of captured or defected anti-Communist forces.

The acquisition of Taiwan is another problem for the CCP: The Communist armies have no amphibious experience or training. At present, they lack the requisite shipping to undertake an assault on Taiwan. The lack of amphibious experience, moreover, may force the CCP to be satisfied with the much slower political methods of underground action to accomplish their conquest of the island.

Perhaps the largest problem facing the CCP lies in preventing the military machine from outrunning their abilities for political consolidation. To halt their victorious armies would not only belie CCP propaganda but would probably shake troop morale from top to bottom. Over-all success, therefore, depends upon the maintenance of a very delicate balance between CCP military acquisitions and political preparedness.

(2) *Nationalist Problems.*

Problems currently facing the remaining Nationalist Armed Forces appear to be insurmountable. The present centrifugal tendency in Nationalist China is a recreation of conditions once almost nation-wide, which the surviving warlords understand well, but which

makes central planning and control virtually impossible. The remaining Nationalist troops are desperately in need of re-equipping, re-training, re-vitalizing, and re-organizing under a competent and effective central command. It appears unlikely that these basic Nationalist needs will be fulfilled. Consequently, anti-Communist forces in China when threatened by the Communist armies, must further withdraw, capitulate, or be annihilated.

(3) *Estimate of Capabilities.*

(a) *Nationalist.* Remaining Nationalists or anti-Communist forces cannot, in the foreseeable future, effectively resist the Communist military machine. Even if it were possible to cure existing military ills by means of outside assistance, superficial reforms would be ineffectual unless the ailment is also treated—the troops must be re-instilled with the will to fight. This can only be accomplished by paying the troops in accordance with the cost of living, by feeding and clothing them properly and, above all, by giving them something to fight for. This obviously is impossible under present conditions. The CCP, therefore, can and probably will eradicate any and all regional anti-Communist armed resistance whenever it chooses to do so.

(b) *Communist.* The CCP is currently capable of launching simultaneous operations to the south, southwest, and northwest and eliminating all effective military resistance by the end of 1950. However, in view of Communist logistic and morale problems which undoubtedly would result from too fast a take-over, the CCP will probably continue its methodical area-by-area conquest and it may be 2 to 3 years before the final liquidation of all anti-Communist resistance in China. The south and southwest will probably be the first two entries on the CCP military time-table and the *coup de grace* reserved for the Mas in the Northwest.

4. *Economic Situation.*

a. *Nationalist China.*

The economic activities of the National Government in Canton and of each provincial government (except Taiwan and Szechwan) are largely confined to the search for sufficient

duction. While these promises have largely remained unfulfilled, they have gained wide support for the CCP among Shanghai and Nanking businessmen. Among the middle classes, those most actively wooed by the Communists are the technicians. They are offered high pay (in Mukden reportedly twice that of government officials) and the chance to be leaders in China's reconstruction. The CCP has apparently gained the support of responsible technical and managerial groups in other Communist areas in China and may do so in Central China as well.

Urban workers and the farmers may not be as strenuously recruited, both because their support is already assumed and because increased rewards to the middle classes must frequently be made at the expense of the lower income groups. While continued lip service will be paid to better living standards, workers will be told that, as the "leading" political group, they must carry the burden of economic reconstruction and development. Similarly, few promises, other than reduced rents and interest rates, may be made to the tenant farmers, since landlords have already been promised that the country is too "backward economically" for immediate drastic land redistribution.

(e) *Financial and Commercial Problems.* The CCP has shown considerable concern over the establishment of internal financial stability and the resumption of domestic commerce. The lack of financial experts will seriously hinder the Communists in the establishment of a stable and flexible currency which will be adequate for the commercial and industrial needs of North and Central China. Conditioned by the recent Nationalist experience with paper currency, the Communists in the immediate present may continue to rely on a less flexible exchange system based on barter and tax payments in grain and other commodities. To date, the Communists have been sufficiently successful in collecting agricultural output, which has provided them with a substantial source of revenue.

Although transportation and marketing difficulties will hinder domestic trade, both state and, to a lesser degree, private commerce

has been encouraged by the CCP's commercial policy and probably will continue to be. "Liberation" of the Yangtze Valley will probably yield to the Communists the huge collection-and-sale apparatus of the Central Trust and other National Government agencies, thus reenforcing and firmly establishing the Communist state trading base.

Further, CCP acquisition of the Yangtze region will be an important factor in curing the present paralysis of internal commerce by restoring the normal integration of the Central and North China economies.

(2) *External Problems.*

(a) *Requirements in Foreign Trade.* Petroleum, cotton, and the railroad, factory, and power equipment needed for reconstruction are the principal imports that the Communists will require during the next year. Inadequate amounts of any of these items will seriously hamper economic recovery. Fuel-oil requirements can be met in part by the substitution of coal, which should be available in quantity to the Communists. But kerosene, gasoline, lubricants and other petroleum products which have no substitutes must be imported. Current Chinese consumption, including aviation gasoline, is 15-20 million barrels annually and 10-12 million barrels would probably be a minimum continuing annual requirement, with full utilization of coal and with no increase in the level of economic activity.

Reconstruction requirements for China are enormous. A minimum reconstruction program, calling for rebuilding China's prewar industry and railroads and perhaps one-half of Manchuria's peak industrial capacity, would require imports of US \$300-\$500 million in China and a similar amount in Manchuria. The bulk of the expense would be for railroad equipment; the remainder would largely be textile, mining, and power machinery and equipment. Reconstruction offers special difficulties to the Communists since substantial credits or investments from the USSR are unlikely and there are severe political obstacles in the way of Western investments. In the next few years, the Chinese Communists will be confronted with the problem of paying for

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ENCLOSURE A

DISSENT OF THE INTELLIGENCE ORGANIZATION, DEPARTMENT OF STATE

The Intelligence organization of the Department of State dissents from the subject report on the grounds that it does not give adequate treatment to the implications of the anticipated desire of a Communist China for international recognition. The treatment here-

in accorded this highly complex and technical subject makes for an over-simplification which is considered unsatisfactory in view of the important policy decisions inevitably involved in the present Chinese situation.

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APPROVED FOR RELEASE
DATE: JUN 2001

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CENTRAL INTELLIGENCE AGENCY

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INTELLIGENCE MEMORANDUM NO. 300

28 June 1950

SUBJECT: The USSR and the Korean Invasion

The invasion of the Republic of Korea by the North Korean Army was undoubtedly undertaken at Soviet direction and Soviet material support is unquestionably being provided. The Soviet objective was the elimination of the last remaining anti-Communist bridgehead on the mainland of northern Asia, thereby undermining the position of the US and the Western Powers throughout the Far East. By choosing Korea as the area of attack, the USSR was able to challenge the US specifically and test the firmness of US resistance to Communist expansion.

North Korea has possessed the capabilities for attacking South Korea for some time, and the USSR has probably been making plans for such an attack ever since the withdrawal of US forces from Korea in 1949. This withdrawal and subsequent US policy probably led the Kremlin to believe that the US had abandoned any intention of giving effective military support to South Korea and that North Korean aggression could be undertaken with only a slight risk of US intervention. The USSR probably further estimated that, even in the event of such intervention, it could readily disclaim or otherwise localize the conflict.

The timing of the invasion was probably determined primarily by such recent indications of increased US interest in the Far East as the development of a policy for economic and military aid for Southeast Asia.

The prompt US reaction in ordering air and naval support of South Korea has probably exceeded Soviet expectations, and the USSR is now faced with a strong possibility of global war if it supports the North Korean invasion sufficiently to overcome combined US and South Korean resistance. It is still estimated that the USSR is not yet prepared to risk full-scale war with the Western Powers, and it is expected, therefore, that the USSR will seek to localize the Korean conflict. The USSR can achieve this result by publicly disclaiming any responsibility for the invasion and: (1) secretly ordering a North Korean withdrawal to the 38th Parallel and cessation of hostilities; (2) permitting the North Korean forces to be driven back to the 38th Parallel, but probably continuing sufficient aid to maintain that position; or (3) providing support to North Korea short of open participation by Soviet forces in an attempt to perpetuate the civil war and maintain North Korean positions south of the 38th Parallel. Because of the advantages of continuing civil

Note: This memorandum has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force.

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and military disorder in Korea, the USSR will probably adopt the third alternative. In the probable event that this attempt proves impossible, the situation might well develop into indecisive and intermittent hostilities stabilized at approximately the 38th Parallel. Meanwhile, the USSR will continue to provide substantial material aid to the North Koreans, including irregulars recruited from Chinese Communists and Soviet forces.

Although the USSR has for some time been considering the advisability of aggressive moves in other areas of the world, there is no conclusive evidence to indicate the exact nature or timing of the moves being contemplated. Southeast Asia (particularly Indochina), Iran, Yugoslavia, Greece, and Berlin offer the USSR the greatest opportunities for aggressive moves or increased pressure. For example, there is continuing evidence of military preparations in the Balkans aimed at either Yugoslavia or Greece and several reports have indicated that the Korean invasion was designed, in part, as a diversionary action to cover an attack on Formosa.

In view of the vigorous US reaction to the Korean situation, however, it is not likely that the USSR will instigate surprise moves in any of these areas until the Kremlin has had an opportunity to study the implications of this reaction, particularly as to its effects on the possibility of global warfare in the event of Soviet-inspired outbreaks elsewhere. Nevertheless, Communist activity in the Far East and elsewhere will continue and will probably be intensified, but greater care will be taken to maintain the fiction that it is "indigenous."

Meanwhile, the USSR has reacted to the strong UN resolutions on the North Korean invasion by branding all action taken thus far by the Security Council as illegal and hence not binding. The attack itself indicated continued Soviet indifference to ending the boycott of the UN and the temper of non-Soviet members of the UN will in turn make it far more difficult for the USSR to return.

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CENTRAL INTELLIGENCE AGENCY

INTELLIGENCE MEMORANDUM NO. 302

SUBJECT: Consequences of the Korean Incident

5277
8 July 1950I. Soviet Purposes in Launching the Northern Korean Attack.

A. Apart from immediate strategic advantages, the basic Soviet objectives in launching the Northern Korean attack probably were to: (1) test the strength of US commitments implicit in the policy of containment of Communist expansion; and (2) gain political advantages for the further expansion of Communism in both Asia and Europe by undermining the confidence of non-Communist states in the value of US support.

B. The Soviet estimate of the reaction to the North Korean attack was probably that: (1) UN action would be slow and cumbersome; (2) the US would not intervene with its own forces; (3) South Korea would therefore collapse promptly, presenting the UN with a fait accompli; (4) the episode would therefore be completely localized; and (5) the fighting could be portrayed as US-instigated South Korean aggression and the North Korean victory as a victory of Asiatic nationalism against Western colonialism.

II. Probable Developments from the Korean Incident.

There are at present four major alternative courses of action open to the USSR. They are not mutually exclusive courses of action. In particular, it is estimated that the USSR is very likely to try to prolong the fighting in Korea (alternative "B" below) for the short run and then within a few weeks or months, if conditions appear favorable to Soviet leaders, shift to the more aggressive course of creating similar incidents elsewhere (alternative "C" below). The alternatives are examined not in order of probability, but in order of increasing risk of global war and increasing expenditure of effort on the part of the USSR:

Alternative A. The USSR may localize the Korean fighting, permitting US forces to drive the North Koreans back to the 38th Parallel and refrain from creating similar incidents elsewhere. In the meantime, the USSR would remain uncommitted in Korea and would develop the propaganda themes of US aggression and imperialistic interference in domestic affairs of an Asiatic nation.

Note: This memorandum has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force.

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1. This alternative is the most cautious course for the USSR to take. Its adoption would indicate complete surprise at the US reaction to the Korean incident and would suggest strongly that the USSR was unwilling to run even a minimum risk of provoking a global conflict involving the US and the USSR.

2. US prestige and political influence would be substantially augmented, particularly with Western European allies and other nations aligned with the US.

3. Soviet prestige and influence would be damaged, but there would be compensations in the form of secondary political gains that would accrue as a result of:

- (a) promoting the "peace campaign" and portraying the US as military aggressor;
- (b) exploiting the theme of Asian nationalism versus Western imperialism;
- (c) maintaining the North Korean and Chinese Communist threat to South Korea as an embarrassment to development of a constructive US or UN policy in Korea.

4. This alternative course of action is unlikely; Soviet advantages would be secondary, comparatively long-range, and intangible, while Soviet disadvantages would be immediate.

Alternative B. The USSR may localize the Korean fighting, still refrain from creating similar incidents elsewhere, but in order to prolong US involvement in Korea, give increasing material aid to the North Koreans, perhaps employing Chinese Communist troops, either covertly or overtly. The USSR would remain uncommitted in Korea and would develop the propaganda themes of US aggression and imperialistic interference in domestic affairs of an Asiatic nation.

1. This alternative is a moderately cautious course for the USSR to take. The USSR would probably consider that its adoption would involve only a slight risk of provoking a global conflict involving the US and the USSR.

2. US prestige would be seriously damaged if the USSR succeeded in prolonging the incident in this way. Western European allies and other nations aligned with the US would question the immediate military value of US commitments even though expecting them to be honored.

3. Soviet prestige would be augmented if the fighting in Korea were prolonged without an open Soviet commitment.

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4. The USSR would obtain appreciable secondary, comparatively long-range gains in political influence as a result of promoting the "peace campaign" and portraying US as imperialistic Western aggressor in Asia, unless successfully countered by a US "Truth" campaign.

5. Deep involvement of US military forces in Korea would seriously limit US capabilities to support similar commitments elsewhere. Moreover, the Western European allies of the US would feel dangerously exposed for some time (even if the US began a partial mobilization for war).

6. The USSR probably will adopt this alternative course of action at least for the short run, since there would be few Soviet disadvantages or risks and the Soviet gains would be appreciable.

7. This alternative will appear especially attractive to the USSR because at any time, if conditions appeared favorable to Soviet leaders, the USSR could shift to the more ambitious program (alternative "C", immediately below), in which alternative "B" would merely be a first phase.

Alternative C. The USSR, while attempting to prolong the fighting in Korea as in alternative "B", may also attempt to disperse and perhaps overstrain US military forces-in-readiness by creating a series of incidents similar to the Korean affair. Without directly and openly involving Soviet forces, such incidents could be created in Formosa, Indochina, Burma, Iran, Yugoslavia, and Greece. The effects of such incidents could be aggravated by renewed pressure on Berlin and, possibly, Vienna.

1. This alternative would be a comparatively aggressive course for the USSR to take. Its adoption would indicate willingness to run an appreciable risk of provoking a global conflict because of the possible US reaction. The USSR could easily turn to this alternative at any time, but it is not likely to turn to it until the USSR has fully analyzed the implications of the US commitment in Korea.

2. Having employed its armed forces in support of its commitment in Korea, the US will have to honor similar commitments or lose most of the advantages of the policy of supporting the Korean commitment.

3. The US does not have the military forces-in-readiness to honor its commitments with US military forces and equipment in many areas other than Korea (perhaps none) without a substantial increase in US military forces and industrial productivity in the military field, bringing about what would amount to at least a partial (as distinguished from a general) mobilization for war.

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4. Deep involvement of US military forces in the Far East or Near East would leave Western Europe even more dangerously exposed than at present.

5. At some point further Korean-style incidents (requiring the commitment of US forces to stabilize the situation) presumably would force the US to adopt one of the following alternatives:

(a) revise the policy of general containment by limiting US commitments and by planning to combat Soviet aggression only at those selected points where existing US military strength would permit;

(b) begin partial military and industrial mobilization in an attempt to enable the US to combat any further Soviet-sponsored aggression anywhere in the world; or

(c) begin total mobilization to enable the US to threaten to meet any Soviet or Soviet-sponsored aggression with war against the USSR.

6. The USSR probably will adopt alternative "C" sooner or later if Soviet leaders do not estimate the risk of global war involved to be substantial or are prepared for a global war if it develops.

7. If Soviet development of this alternative course of action leads to a general US mobilization, it appears at this time that the USSR probably would in that event continue limited aggressions, accompanied by the customary "peace" propaganda, discounting actual US initiation of a general war and perhaps estimating that the political and economic strains of mobilization would weaken or discredit the US and its foreign policy. The USSR, however, may:

(a) desist from further aggression of the Korean type, fearing a global war and taking mobilization as an indication of greater risk than Soviet leaders had anticipated in choosing this course of action; or

(b) expecting US-initiated global war, attempt to seize the initiative by immediately attacking the US (in effect turning to alternative "D", below).

Alternative D. The USSR may consider US intervention in Korea either as the prelude of an inevitable global war or as justification for beginning a global war for which it is prepared--in either case immediately attacking the US and its allies.

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1. Nothing in the Korean situation as yet indicates that the USSR would deliberately decide to employ Soviet forces in direct military action precipitating global war. Such a decision is unlikely if, as now seems probable, Soviet leaders believe that:

(a) there are continuing opportunities to expand Soviet influence by the comparatively cheap and safe means of Soviet-controlled Communist revolutionary activity (including propaganda, sabotage, subversion, guerrilla warfare, and organized military action by local Communist troops--as in Korea), which can be supported by Soviet diplomacy and the mere threat of Soviet military strength-in-readiness; and

(b) there is substantial risk involved for the USSR in the global war that almost certainly would ensue from direct military action by Soviet forces.

2. The USSR would appear to have little reason to be pessimistic about gains by methods short of global war, particularly by adopting the courses of action described in Alternatives "B" and "C" above.

3. The USSR is unlikely to choose the alternative of deliberately provoking global war at this time in view of: (a) the general superiority of the US and its allies in total power-potential; and (b) the fact that the present Soviet atomic capability is insufficient to neutralize US atomic retaliatory capabilities and to offset the generally superior power-potential of the US and its allies by interfering with the US military and industrial mobilization.

III. Effects of a Failure of US Forces to Hold South Korea.

A. The immediate consequences of a failure to hold South Korea would be a damaging blow to US prestige with loss in political influence greater than the loss that would have been incurred if the US had not undertaken to support its moral commitment in South Korea.

B. The US would be confronted with a choice between two undesirable alternatives: (1) accepting the loss of US prestige; or (2) attempting to regain as much prestige as possible by committing substantial US military resources in a difficult and costly invasion of an area which is not of primary strategic importance to the over-all US military position. In either case US foreign policy and military capabilities would be discredited at home and abroad.

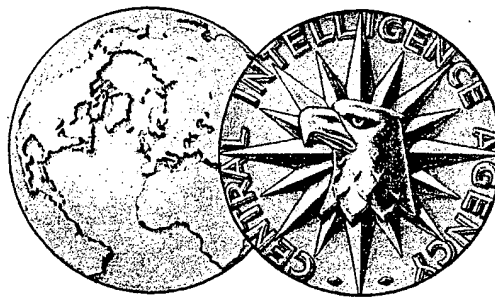
C. If US forces were expelled from Korea, the USSR would probably adopt alternative "C" as described above (Section II). It might be tempted, however, to postpone further aggressive action elsewhere until it had determined whether, as a result of the loss of world confidence in the effectiveness of US aid, other areas might not be brought within its sphere of influence through intimidation alone.

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COPY NO. 130
FOR THE ASSISTANT DIRECTOR
FOR COLLECTION & DESSEMINATION, CIA

REVIEW OF THE WORLD SITUATION



CIA 7-50

Published 19 July 1950

CENTRAL INTELLIGENCE AGENCY

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APPROVED FOR RELEASE
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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

SUMMARY

1. The unprovoked attack on the Republic of Korea by the armed forces of the Soviet-controlled North Korean government opened a new phase in the power conflict between the USSR and the non-Soviet world. For the first time since the end of World War II, the USSR deliberately attempted to expand the Soviet-Communist area of control through direct action against a non-Soviet state by the organized military forces of a puppet state. Apart from the immediate strategic advantages of Communist control of all Korea, the primary aim of the USSR in instigating the attack probably was to discredit the US policy of general containment of Soviet-Communism.

US intervention, endorsed by nearly all of the non-Soviet members of the UN (including India), marked a line beyond which Soviet-sponsored aggression could not go without being challenged. A failure to draw this line would have seriously discredited the whole US policy of containment, gravely handicapping US efforts to maintain alliances and build political influence with the Western European powers and with other nations closely aligned with the US. The Korean incident as a whole, particularly the virtual collapse of resistance by the Republic of Korea and the interposition of US forces in the path of the attack, raises several problems of the gravest importance to US security. Outstanding among them is the possibility that reverses in the fighting in Korea may quickly counter the favorable initial psychological effects of intervention and bring

about a drop in the morale of the Western world.

2. Whatever turn events take in Korea, the USSR has the capability of creating a series of incidents roughly comparable to the Korean episode, each one threatening either to bankrupt the US policy of containing Soviet-Communist expansion or to disperse and overstrain US military forces in readiness.

Soviet leaders might estimate that the USSR was warranted in running the risk of global war inherent in the repetition of the Korean pattern elsewhere, reasoning either: (a) that the US would abandon or drastically reduce its commitments, particularly in Asia, before it would challenge the USSR directly; or (b) that the outbreak of global war in which the US took primary responsibility for enlarging the area of conflict would leave the non-Soviet world critically divided and weak. The Far East (Taiwan, Indochina, Burma) and the Balkans are the border areas where signs of impending military action are mounting.

3. While the early reaction of Western Europe was to give enthusiastic approval to the US intervention in Korea, the Western European nations are unlikely to take resolute and coordinated action to meet the challenge implicit in the "limited war" phase of world power conflict unless US military power can be mobilized and deployed in strength that is plainly sufficient to constitute at least a substantial deterrent to further Soviet or Soviet-sponsored military aggression.

Note: This review has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force. The information contained herein is as of 14 July 1950.

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

1. Limited War in Korea.

The unprovoked attack on the Republic of Korea by the armed forces of the Soviet-controlled North Korean government opened a new phase in the power conflict between the USSR and the non-Soviet world. For the first time since the end of World War II, the USSR deliberately attempted to expand the Soviet-Communist area of control through direct action against a non-Soviet state by the organized military forces of a puppet state. Although the USSR may claim that the conflict in Korea was a civil war, it cannot disguise either the fact that North Korea is a Soviet puppet or the fact that the attack was launched against a state whose sovereignty had been recognized by the UN.

In Eastern Europe the postwar techniques of Communist expansion have not gone beyond propaganda, sabotage, subversion, internal coups, and guerrilla warfare campaigns—supported by Soviet diplomacy and the *threat* of Soviet military force. Even in Greece, Iran, China, and Indochina, Communist activities have remained within the limits of insurrectionary fighting in a “revolutionary” situation within a single state.

a. The Attack.

The North Korean venture, involving an additional step toward open Soviet aggression, amounts to a laboratory test of the advantages the USSR might gain by fighting a war of limited objectives and limited liabilities through the medium of puppet troops. Soviet objectives were limited in the sense that the North Korean forces proposed merely to bring about the “unification” of Korea within its traditional national boundaries rather than to provoke a global war involving the US. Soviet liabilities were limited because the USSR avoided becoming openly and unequivocally associated with the attack despite the fact that the North Korean forces were Soviet-ad-

vised, Soviet-equipped, Soviet-trained, and Soviet-supplied.

In planning the Korean invasion the USSR probably did not expect the US to intervene with its own military forces. In the absence of US intervention, Soviet leaders could anticipate a quick Communist victory that would present the US and the UN with an accomplished fact, undermine the confidence of non-Communist states in the practical value of US moral commitments, and give political and military momentum to the further expansion of Soviet-Communist influence in the Far East. Apart from the immediate strategic advantages of Communist control of all Korea, the primary aim of the USSR in instigating the attack probably was to discredit the US policy of general containment of Soviet-Communism.

b. US-UN Reaction.

Whatever the original intent of the move in Korea, the prompt US commitment of its own military forces in a “police action” on behalf of the UN automatically converted the Korean incident into a critical issue. The US intervention, endorsed by nearly all of the non-Soviet members of the UN (including India), marked a line beyond which Soviet-sponsored aggression could not go without being challenged. A failure to draw this line would have seriously discredited the whole US policy of containment, gravely handicapping US efforts to maintain alliances and build political influence with the Western European powers and with other nations closely aligned with the US.

The immediate psychological reaction of the Western world to US-UN intervention in Korea was almost uniformly favorable, and the morale of nations committed to the containment of Soviet-Communist expansion received a substantial lift. Nevertheless, the Korean incident as a whole, particularly the virtual col-

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lapse of resistance by the Republic of Korea and the interposition of US forces in the path of the attack raises several problems of the gravest importance to US security. Outstanding among them is the possibility that US reverses in the fighting in Korea may quickly counter the initial psychological effects of intervention and bring about a drop in the morale of the Western world.

c. Effects of a Prolonged Battle in South Korea.

The efficient military performance of the invading forces in the first three weeks of battle indicates that there is little probability that the North Koreans can be quickly driven back to the 38th parallel. The USSR can supply material aid in sufficient quantities to prolong the fighting and deeply involve the US in Korean military operations. Chinese Communist troops can be brought into action covertly and, if necessary, openly. The USSR might consider that the risk of provoking a global war was not substantial so long as no Soviet forces were openly committed.

A prolonged battle in South Korea, which now seems probable, would seriously damage US prestige. The Western European allies and other nations aligned with the US would steadily lose confidence in the military value of US commitments to assist them against armed aggression and would be increasingly reluctant to take energetic measures in support of the North Atlantic Treaty Organization (NATO) and the Mutual Defense Assistance Program (MDAP). While some credit might redound to the US for initially honoring its commitments, more anxiety will arise about US ability to counter threats of Soviet aggression than about US intentions to do so. A major commitment of US forces and equipment in Korea would seriously limit US capabilities for taking military action elsewhere, and Western European nations in particular would feel dangerously exposed. While the US would encounter all of these disadvantages from a local but prolonged war in Korea and the USSR would reap corresponding advantages, the USSR could also register propaganda gains in non-Soviet countries where "peace" propaganda has a strong appeal by

emphasizing Soviet non-interference (in the technical legal sense) and portraying the US action as an imperialistic Western aggression against an Asiatic people.

d. Effects of a Military Reverse for US Forces in South Korea.

The immediate consequence of a failure of US forces to hold South Korea, a possibility that cannot be ruled out, would be a damaging blow to US prestige. The US would then virtually be forced to try to regain as much of its lost military reputation as possible by committing substantial US military resources in a difficult and costly invasion of an area that is not in itself of primary strategic importance to the US. Whatever the US did to redeem its military reverse, US foreign policy and especially US military capabilities would be seriously discredited.

A voluntary withdrawal of US forces to avoid the military risk of being driven off the Korean peninsula would not reduce and probably would increase the damage to US strategic interests all over the world. Voluntary withdrawal not only would show US moral commitments to be unreliable when put to a severe test, but in addition would leave grounds for considerable doubt as to the ability of the US to back up any of its commitments with adequate military force. Besides shaking the confidence of the Western European allies and other nations on whose strength and cooperation the policy of containment depends, withdrawal from Korea would damage US standing in UN affairs and would undermine the effectiveness of the UN as a device for mobilizing Western resistance to Soviet-Communist aggression. Pro-US governments, particularly in areas where the USSR could initiate limited military aggressions without openly using Soviet forces, would suffer serious losses of prestige. In some cases (for example, Indochina or Iran) these governments might lose control of the country altogether or feel compelled to seek an accommodation with the USSR. The total effect of voluntary withdrawal on world-wide US security interests would be a reverse probably more calamitous than the effect of a US failure to hold Korea.

2. Soviet Pressure on Other Border Areas.

Whatever turn events take in Korea, the USSR has the capability of creating a series of incidents roughly comparable to the Korean episode, each one threatening either to bankrupt the US policy of containing Soviet-Communist expansion or to disperse and overstrain US military forces in readiness. Without directly and openly involving Soviet military forces, the USSR could engineer the outbreak or (where guerrilla fighting is already going on) the rapid intensification of local wars in Taiwan, Indochina, Burma, and the Balkans. The effects of incidents in these areas could be aggravated by renewed pressure in other places bordering the Soviet sphere. In Iran in particular the pro-Soviet Tudeh Party and other subversive elements either within the country or in adjacent Soviet territory are capable of creating disorders which the USSR might use as a pretext for invoking the 1921 Irano-Soviet Treaty and "restoring order" in Iran with Soviet troops.

The use of puppet forces (or Soviet forces in the special circumstances in Iran) would involve some risk of global war. The USSR probably will not deliberately initiate global war at this time in view of: (a) the general superiority of the US in total economic and military power potential; and (b) doubts about whether the newly developed Soviet capability for atomic attack is as yet capable of neutralizing US atomic retaliation and preventing the US from mobilizing its economic and military power.

Nevertheless, Soviet leaders might estimate that the USSR was warranted in running the risk of global war inherent in the repetition of the Korean pattern elsewhere, reasoning either: (a) that the US would abandon or drastically reduce its commitments, particularly in Asia, before it would challenge the USSR directly; or (b) that the outbreak of global war in which the US took primary responsibility for enlarging the area of conflict would leave the non-Soviet world critically divided and weak.

Whatever Soviet intentions may be, signs of impending military or quasi-military action on a large scale are mounting in nearly all the border areas. These signs may be part of

the war of nerves or a concerted deception plan designed to prevent US concentration of effort on the Korean operation. Some of them may be feints to draw attention away from new moves in just one of the trouble spots. It is conceivable, however, that the USSR plans aggressive action of some kind at all these points within the next year or two. In any case the pressure continues to be heavy, and possibility of early initiation of new Korean-style incidents by non-Soviet Communist troops cannot be excluded.

a. The Far East.

It is not yet clear whether the USSR will force the Chinese Communists to give open military support to the Korean operations or to start a new operation elsewhere in the area. The Peiping regime is unlikely to commit military forces to operations outside China on its own initiative, but almost certainly would comply with a Soviet request for military action. Chinese Communist troop strength and dispositions would permit intervention in Korea and military action in a number of other places as well with little or no warning. Forces in considerable numbers apparently are being staged on the mainland opposite Taiwan, and possibly opposite Hong Kong. Although no significant changes have occurred in the strength of troops stationed along the Southeast Asian frontiers, these forces are capable of crossing into Indochina if necessary to strengthen Ho Chi Minh's fighting forces or into Burma, where the presence of a few fugitive Chinese Nationalist troop units would give a show of legality to a military incursion.

b. The Balkans.

There have been a number of indications of an acceleration of Soviet and Satellite troop movements in the Balkan area. Soviet military equipment and supplies have been flowing into the Balkans for several months in quantities that appear to be in excess of the needs of Soviet forces available there. The number of Soviet troops in the Balkans has not changed significantly in the past six months, but the efficiency of Balkan puppet forces has probably been increasing as a result of a tightening of Soviet control and the acquisition of Soviet materiel.

While it is still probable that Soviet-Satellite troops in the Balkans are inadequate to mount a successful armed offensive against Yugoslavia, it would be possible for puppet troops with covert Soviet support at least to start a local war on a considerable scale by moving across the borders of Yugoslavia, Greece, or Turkey. Soviet propaganda is emphasizing the imminence of hostilities in this area (through Greek and Yugoslav "aggression" of course). The initiation of any kind of armed aggression in this area by Soviet puppet troops would present the basic issues of the Korean incident all over again, forcing the US either to abandon some of its commitments or to disperse its military strength.

3. Western Europe.

While the early reaction of Western Europe was to give enthusiastic approval to the US intervention in Korea, as time goes on sober second thoughts are bound to occur to the NATO nations. If the fighting in Korea is prolonged, as seems probable, or spreads to other border areas, Western Europeans are sure to fear that the US programs of military and financial assistance will be limited to present levels if not reduced because of the strains this peripheral fighting would put on US resources. On the other hand, fear of global war will be increasing, as will fear that the time may be short to prepare for defense against Soviet aggression in Europe. The Korean situation will bring sharply home to Western Europe the fact of its defenselessness against direct military action and may provide the US with an opportunity to press for an increased defensive effort and more effective mutual aid and balancing of forces. Resolute and coordinated action along these lines will be required if the Western European nations are to meet the critical issues that will confront them so long as Soviet-sponsored aggressions continue.

The prospects of such action are not altogether reassuring in the light of the halting progress made to date in unifying Western European military and economic efforts. Despite the strong resolutions adopted at the London conferences of May, the projected strengthening of NATO has hardly begun. The Schuman plan for integrating the European coal and steel industries, one of the most promising economic integration schemes, is moving slowly. The French have proceeded vigorously to the heart of the economic unification problem by proposing to establish supra-national organizations and clearly recognize supra-national authority. This radical departure from traditional political patterns alarmed the Benelux countries and caused them to retire for governmental consultations. Only the Germans, who have no sovereignty to lose at this point, and the Italians, whose industrial stake is comparatively slight, are inclined to accept the Schuman plan more or less as presented. The British, who are not negotiating but are being kept informed, continue to make it plain that the UK would not participate in the plan the French have advanced. The influence of France as a leader in Western Europe, which otherwise would grow as a result of the development of the Schuman plan, has remained uncertain because of the protracted difficulties of forming a new French cabinet.

The Western European nations may avoid giving way to apathy or despair and vigorously meet the challenge implicit in the "limited war" phase of world power-conflict inaugurated by the Korean incident. They are unlikely to do so, however, unless US military power can be mobilized and deployed in strength that is plainly sufficient to constitute at least a substantial deterrent to further Soviet or Soviet-sponsored military aggression.

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EXHIBIT E

Factors Affecting the Desirability of a UN
Military Conquest of all of Korea (S)

[We were unable to find a copy of this memorandum. The following is a digest made in April 1951 by the Office of National Estimates.]

Although an invasion of North Korea by UN forces could, if successful, bring several important advantages to the US, it appears at present that grave risks would be involved in such a course of action. (1) It is doubtful that US allies and other non-Soviet nations in the UN would support such a course of action. Asian nations, particularly India, would react unfavorably, and many Asians might be convinced that the US is, after all, an aggressive nation pursuing a policy of self-interest in Asia. (2) The invading forces might become involved in hostilities with the Chinese Communists. As it became apparent that the North Koreans were being defeated in South Korea, the Chinese might well take up defensive positions north of the 38th Parallel. The USSR might use Chinese Communist troops at any stage in the fighting, but their participation would be especially useful at the 38th Parallel where UN members could legally discontinue their support of the US policy. (3) Inasmuch as the USSR would regard the invasion of North Korea as a strategic threat to the security of the Soviet Far East, the invading forces might become involved, either directly or indirectly, in hostilities with Soviet forces, under conditions which would alienate most of Asia from the US-UN cause in Korea.

The conquest of North Korea would not provide assurance of peace throughout the country or of true unification. Continued threats of

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aggression from Manchuria or the USSR would produce instability, requiring the continued presence of large numbers of US or UN forces. Syngman Rhee and his regime are unpopular among many -- if not a majority -- of non-Communist Koreans. To establish his government throughout all Korea would be difficult, if not impossible; even if this could be done, the regime would be so unstable as to require continuing US or UN military and economic support. If a UN trusteeship were established, it would be unstable. Korea once more would become the cat's-paw of international politics, and its ultimate status would be dependent upon the comparative strength and ambitions of the countries whose representatives supervised the trust administration.

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CENTRAL INTELLIGENCE AGENCY

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INTELLIGENCE MEMORANDUM NO. 324

8 September 1950

SUBJECT: Probability of Direct Chinese Communist Intervention in Korea

PROBLEM: To assess the probability of an open Commitment of Chinese Communist armed forces in Korea.

SCOPE: The commitment of both regular and local Chinese Communist ground forces, and the use of the Chinese Communist Air Force in support of the North Korean invaders are considered.

ASSUMPTIONS: (1) Limited covert Chinese Communist assistance to the North Korean invaders, including the provision of individual soldiers, is assumed to be in progress at present.
(2) The provision of overt assistance by the Chinese Communists would require approval by the USSR and such approval would indicate that the USSR is prepared to accept an increased risk of precipitating general hostilities.

1. Conclusions.

Although there is no direct evidence to indicate whether or not the Chinese Communists will intervene in North Korea, it is evident that the Chinese Communists or the USSR must supply trained and equipped combat replacements if the North Korean invasion is to achieve complete control over South Korea before the end of the year.

Reports of an increasing Chinese Communist build-up of military strength in Manchuria, coupled with the known potential in that area, make it clear that intervention in Korea is well within immediate Chinese Communist capabilities. Moreover, recent Chinese Communist accusations regarding US "aggression" and "violation of the Manchurian border" may be stage-setting for an imminent overt move.

Note: This memorandum has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force.

The memorandum was prepared in accord with the request of the Director of Intelligence, Headquarters, United States Air Force.

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In view of the momentous repercussions from such an overt action, however, it appears more probable that the Chinese Communist participation in the Korean conflict will be more indirect, although significant, and will be limited to integrating into the North Korean forces "Manchurian volunteers," perhaps including air units as well as ground troops.

2. Present Status of North Korean Forces.

The decision whether or not to commit Chinese Communist forces will depend in part on the availability of Korean manpower, both in Manchuria and that part of Korea now in Communist hands. Current estimates by the Department of the Army state that 40,000 trained Korean veterans who had served with the Chinese Communists in the Manchurian campaigns of 1946 to 1948 remain in Manchuria and there constitute a strategic North Korean reserve. It is noteworthy, however, that (1) since 1 August North Koreans have been using combat replacements with as little as two week's training; and (2) the North Koreans would logically have committed all available organized Korean units soon after UN forces had been committed because at that time the impact of 40,000 trained troops probably would have been decisive.

The foregoing considerations indicate either that any Korean reserve in Manchuria was so dispersed that it did not constitute an effective reserve or that this reserve never in fact existed. Moreover, the possibility that Korean reserves in Manchuria have now been collected and reorganized and that some are now enroute to the combat area tends to be discounted by the fact that the time elapsed since 25 June should have permitted the organization and commitment of the majority of this reserve which would have been far superior in quality to those virtually untrained North Korean troops that have actually been utilized in the fighting. On balance, therefore, it appears highly probable that if a Communist victory in Korea is to be achieved by the end of the year the North Korean forces must now rely on either Soviet or Chinese Communist resources for decisive augmentation.

3. Chinese Communist Capabilities for Intervention.

The Chinese Communists have approximately four million men under arms, including regulars, Military District troops, and provincial forces. Following the fall of Manchuria there were approximately 565,000 Military District troops in Manchuria (including 165,100 ex-Nationalists), and possibly 100,000 to 125,000 of these MD troops have now been integrated into the regular army and organized as combat forces. These units, as well as the remaining MD troops, probably are Soviet-equipped. In addition, reports during the past three months have indicated a considerable increase in regular troop strength in Manchuria. It is estimated that the major elements

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of Lin Piao's 4th Field Army--totalling perhaps 100,000 combat veterans--are now in Manchuria and are probably located along or adjacent to the Korean border, in position for rapid commitment in Korea.

Approximately 210,000 Communist regulars under Hsieh Jung-chen's command are presently deployed in the North China area. Some of these troops have been reported enroute to Manchuria.

The Chinese Communists are believed to possess an air force totalling 200 to 250 operational combat aircraft, some units of which are reportedly deployed in Manchuria.

4. Indications of Chinese Communist Intention to Intervene.

a. Propaganda.

Numerous Chinese Communist propaganda attacks on the US during recent weeks, charging the US with "intervention" and "aggression" in Taiwan, have been climaxed by two new protests to the UN claiming US air attacks in violation of the Manchuria-Korea border. It is possible that these charges, besides serving a useful propaganda function, may be aimed at providing an excuse for Chinese Communist intervention in Korea.

b. Military Activity.

Since the fall of Hainan in April 1950, reliable reports have indicated that elements of Lin Piao's 4th Field Army were being moved northward from the Canton area.¹ Major elements of the 4th Field Army are now believed to be either in or enroute to Manchuria. Other reports indicate that military construction is in progress near Antung and along the Yalu River. Strengthening of Manchurian border defenses might either be a logical security development in view of the Korean conflict or a prelude to the offensive employment of forces in the area.

Reports of increased activity at Antung on the Manchuria-Korea border include the reported arrival of Chinese Communist aircraft.² Antung has also been reported as the main base of the

1. Reports of preparation for this move were received as early as February 1950, well in advance of the assault on Hainan by LIN's forces. Although these preparations may have been part of announced CCF plans for demobilization, it appears more likely that these elements were Korean troops of Lin Piao's army being released to the North Korean Army.
2. The three airfields in the Antung area could handle a total of 300 aircraft.

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North Korean Air Force, where that depleted force can seek refuge from UN air attacks. Numerous reports of recent North Korean activity, including revetment construction at airfields south of the 38th Parallel have been received. These construction reports could indicate the imminent forward movement of air reinforcements for the North Koreans. Although some of this anticipated air support might be provided by the as yet untested Chinese Communist Air Force, there is no firm evidence to support such a contention.

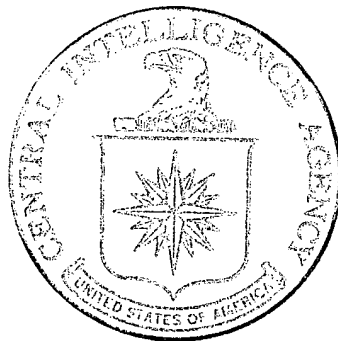
5. Factors Militating Against Chinese Communist Intervention.

The commitment of Chinese Communist armed forces in Korea would clearly transform the Korean conflict from an ostensibly "internal" dispute to an international struggle. The decision to commit Chinese Communist troops to the Korean conflict would significantly affect the Soviet position in China as well as in Korea, and Soviet influence over both Peiping and Pyongyang might be jeopardized. Other factors which might tend to deter Chinese Communist intervention in the Korean war, but which would be of minor consequence in so momentous a decision, are: (1) Chinese national and military pride might cause friction if Chinese troops were placed under Soviet or Korean command; and (2) Chinese Communist intervention would probably eliminate all prospects for China's admission to the United Nations.

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REVIEW OF THE WORLD SITUATION



CIA 9-50

Published 20 September 1950

CENTRAL INTELLIGENCE AGENCY

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

SUMMARY

1. Nearly three months after beginning its venture into war-by-proxy, the USSR retains the strategic initiative to some extent locally in Korea and to a much greater extent globally.

2. The USSR is probably not yet prepared for international military operations designed to defeat the US and its allies. Nevertheless, the USSR has been vigorously preparing its armed forces, its economy, and its political-control system for the eventuality of a major war. In view of the traditional preoccupation of the USSR with its defensive capabilities, these preparations do not necessarily indicate that the USSR intends deliberately to provoke a global war. Nevertheless, the time-phasing of some parts of this war-readiness program suggests that the USSR made an urgent effort to be ready in case large-scale expenditures of military materiel should be necessary in the fall of 1950 or the spring of 1951.

3. Whereas the US and its allies have been able to contain Soviet efforts at expansion in Europe and the Middle East during the past two years, the USSR has steadily gained ground in Asia. In large measure it has succeeded in identifying Communism with local nationalist ambitions, anti-Western sentiment, and economic discontent.

4. As a result of Communist seizure of control in China, the USSR has in the Peiping regime a disciplined lieutenant in the international Communist program of eliminating Western influence and establishing indigenous Communist governments throughout the Far East.

a. While it is doubtful that either Soviet or Chinese Communist forces will be committed south of the 38th parallel, both Moscow and Peiping have the capability of sending organized military units to reinforce the North Koreans at any critical juncture. They are much more likely, however, to aid the Communist cause in Korea by releasing large numbers of trained Chinese Communist (Manchurian "volunteer") units, perhaps including small air units, for incorporation in the North Korean forces.

b. There is still no conclusive evidence whether political warfare over Taiwan will be followed or perhaps accompanied by a military assault on the island.

c. At the present time opportunities for expansion of Communist influence in Southeast Asia appear to be more promising than more openly belligerent ventures (such as formal Chinese intervention in Korea). Moscow and Peiping probably will prefer to maintain the fiction that Communist aggression is merely local revolution or civil war (as they claimed in Korea) and to rely on the efforts of indigenous "liberation" movements rather than on open employment of organized forces outside their own territory. Thus the Chinese Communists would continue to limit their aid to Ho Chi Minh to indirect or covert though substantial military assistance.

The spread of Communist influence in southeast Asia probably will continue, at least in the short-term future, acquiring new momentum with every local triumph, in default of: (1) development of an indigenous Asian regional association capable of resisting the expansion of Soviet influence in the Far East;

Note: This review has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force. The information contained herein is as of 15 September 1950.

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(2) Western success in convincing the local populations that "colonialism" is not a threat and that Soviet control is a direct threat to national independence; (3) effective US aid.

5. While bringing heavy pressure to bear on many non-Soviet countries, reaching a peak in the Korean attack, the USSR has recently been pursuing a soft policy toward such countries as Iran, Afghanistan, and India, which the Kremlin evidently wishes to neutralize for the time being. In Iran in particular, this soft treatment poses a more difficult problem for the Iranian Government than would a

harsher attitude and may yield considerable advantages to the USSR without further resort to pressure tactics.

6. Concurrently with its integrated campaign of aggression, pressure, and political enticement around the borders of the Soviet sphere, the USSR is vigorously prosecuting its propaganda warfare in the UN. During the coming parliamentary maneuvering in the SC the US may be able to counter Soviet propaganda moves and to prepare the ground for what will probably develop into the most solid anti-Soviet front yet displayed in the UN General Assembly.

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

1. Current Soviet Policy Patterns.

Nearly three months after beginning its venture into war-by-proxy, the USSR retains the strategic initiative to some extent locally in Korea and to a much greater extent globally. Chances that the North Korean forces alone might drive UN troops out of Korea have been materially reduced in the past month, and it is doubtful whether the North Koreans can still draw upon enough reserve military resources to permit them at once to maintain pressure on the major UN-held perimeter around Pusan and simultaneously contain other UN forces. The concentration of Chinese Communist troops near the Korean border in Manchuria, however, constitutes a powerful secondary reserve which, if Moscow and Peiping should agree on it despite the attendant risks, could enter the battle and materially change its course at any time. The Chinese Communist armies are also capable of attacking Taiwan and Indochina without seriously weakening their position confronting Korea. Meanwhile, the USSR and Communist China are conducting a major UN propaganda offensive emphasizing their dedication to "peace" and castigating so-called US "aggression" in Asia.

2. Soviet Readiness for War.

These particular manifestations of an aggressive Soviet foreign policy appear against the background of rapid advancement of a general war-readiness program in the USSR. The USSR is probably not yet prepared for international military operations designed to defeat the US and its allies, mainly because of its limited stockpile of atomic bombs, its relatively weak strategic air arm, and its relatively weak surface navy. The USSR has, however, been vigorously preparing its armed forces, its economy, and its political-control system for the eventuality of a major war. In

view of the traditional preoccupation of the USSR with its defensive capabilities, these preparations do not necessarily indicate that the USSR intends deliberately to provoke a global war. Nevertheless, the time-phasing of some parts of this war-readiness program suggests that the USSR made an urgent effort to be ready in case large-scale expenditures of military materiel should be necessary in the fall of 1950 or the spring of 1951. This time-phasing may well reflect a policy designed to protect the USSR from the risk of global war which is implicit in the instigation of local operations by non-Soviet forces on the periphery of the area of Soviet influence.

There is still no conclusive evidence as to whether the USSR will resort to further outright military aggression through the medium of non-Soviet forces or, what may be more likely, will adhere to its standard policy of extending Soviet influence by propaganda, subversion, internal coups, and guerrilla warfare—supported by Soviet diplomacy and the threat of Soviet military strength. The current Soviet war-readiness program could, however, be an indication of Soviet preparations to meet the eventuality of general war if it actually should come in 1950 or 1951 as a result of US reaction to further Soviet or Soviet-sponsored aggression. In the event of war in this period the USSR could use its enormous ground army and tactical air force to occupy most of the Eurasian continent. The USSR then could: (a) mount a strategic air bombardment campaign against the UK; (b) deny US access, at least partially, to forward base areas from which US strategic air attacks could most effectively be mounted; (c) employ against the continental US the supply of atomic bombs available, thus weakening the US capability to retaliate; (d) add the resources of Western Europe to the Soviet war potential, permitting the USSR in time to absorb heavy damage from US strategic air

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attacks without destroying Soviet capabilities for continuing hostilities; and (e) set the stage for a politico-military offensive designed to bring the remaining non-Soviet countries into an accommodation with the USSR.

3. Offensive in Asia.

Increased Soviet war-readiness greatly strengthens the position of the USSR in pursuing its current campaign to expand Soviet influence and extend the area of actual political control in Asia. Whereas the US and its allies have been able to contain Soviet efforts at expansion in Europe and the Middle East during the past two years, the USSR has steadily gained ground in Asia. In large measure it has succeeded in identifying Communism with local nationalist ambitions, anti-Western sentiment, and economic discontent. As a result of the "revolutionary situations" created by the breakup of the colonial imperial system, the USSR has had an opportunity gradually to extend its hold over large areas in Asia and at the same time to weaken the Western Powers indirectly by diverting their critically needed military resources to the Far East. The year 1950, as anticipated, has been a year of crises in Asia, and the Western world has been suffering serious losses as a result of Communist accretions of power in the Far East.

(Current Soviet concentration on Asia does not, of course, alter the fact that the rebuilding of political, economic, and military strength in Europe continues to be of primary importance to the security of the US. The USSR can be expected to return to the offensive in Europe whenever vulnerabilities there warrant it, a fact which makes the decisions and procedures only now being worked out by the NATO powers the most critical developments of the next year or two so far as US security is concerned. The direction and import of these decisions and procedures will have to be studied in the context of efforts to put them into effect rapidly and efficiently during the next few months.)

4. Communist Capabilities in the Far East.

As a result of Communist seizure of control in China, the USSR has available in the Peiping regime a disciplined lieutenant capable of

furthering the international Communist program of eliminating Western influence and establishing indigenous Communist governments throughout the Far East.

a. Korean Venture.

While there is no clear evidence that either Chinese Communist or Soviet armed forces will be used in Korea, the USSR and its Asian lieutenant will probably try to prevent the loss of the political and military advantages already won by the North Koreans. While it is doubtful that either Soviet or Chinese Communist forces will be committed south of the 38th parallel, both Moscow and Peiping have the capability of sending organized military units to reinforce the North Koreans at any critical juncture. They are much more likely, however, to aid the Communist cause in Korea by releasing large numbers of trained Chinese Communist (Manchurian "volunteer") units, perhaps including small air units, for incorporation in the North Korean forces. In addition, the Chinese Communists may try to forestall or at least interfere with a major UN counterattack in Korea by mounting an operation either against Taiwan or in Indochina. If the USSR and Communist China should adopt either of these courses of action, it probably would either bring local military advantages in Korea by diverting US forces or, in default of effective US intervention, would promote general Soviet strategic objectives by extending Communist influence elsewhere in Asia.

b. Taiwan.

Formal lodgment of charges against US "aggression" in Taiwan (as well as on the Korean-Manchurian frontier) has marked this theme as a key element in Soviet and Chinese Communist propaganda. There is still no conclusive evidence whether political warfare over Taiwan will be followed or perhaps accompanied by a military assault on the island. The remaining time for weather most favorable to an amphibious attack is only a few weeks, but the Chinese Communists are capable of mounting a powerful invasion force in a matter of days. In any case the Taiwan issue will be pursued relentlessly in the UN. The USSR will attempt in this way to split the solidarity of the nations

(India, UK, and France in particular) that supported US policy on intervention in Korea but are reluctant to become associated with the Chinese Nationalist regime or to risk involvement in a virtually endless war with Communist China. The USSR and Communist China, in addition, may hope to secure control of Taiwan as part of an eventual settlement of the Korean situation.

c. Indochina.

At the present time, opportunities for expansion of Communist influence in Southeast Asia appear to be more promising than more openly belligerent ventures (such as formal Chinese intervention in Korea). There have been many indications that Ho Chi Minh's forces are preparing for an early major military offensive. The Chinese Communists are already assisting the Indochinese rebels by giving them materiel, technical assistance, and training. They are capable of invading Indochina and occupying all of Vietnam except Cochin China within a few months. Moscow and Peiping probably would prefer, however, to maintain the fiction that Communist aggression in Indochina is merely local revolution or civil war (as they claimed in Korea) and to rely on the efforts of indigenous "liberation" movements rather than on open employment of organized forces outside their own territory. Thus, the Chinese Communists would continue to limit their aid to Ho Chi Minh to indirect or covert though substantial military assistance. In this case, China would be doing for Indochina something like what the USSR has done for Korea. In such a case the USSR would not only be waging war-by-proxy (as in Korea), but would be waging war-by-proxy-by-proxy.

The Ho Chi Minh forces probably will in the near future launch an offensive designed to seize or destroy key French border posts, reduce French strength by attrition, and prepare the way for a decisive campaign sometime in 1951. If they had substantial numbers of artillery pieces and armored vehicles, the Communist-led rebels would have a good chance of driving the French out of Indochina within the next year or two. Regardless of whether Ho Chi Minh receives aid in the form of open military action by Chinese

Communist troop units, Indochina is likely to pass into the Soviet sphere unless the French in the meantime receive considerably more foreign assistance than is presently programmed and (by greater political concessions in the direction of national independence), win over the support of the Vietnamese people. The slow pace of measures to set up effective defenses against Communist control in Indochina is especially grave because the advent to effective power of a Communist regime probably would induce the other independent states of Southeast Asia to assume a protective Communist coloration and a generally pro-Soviet alignment in foreign affairs.

In the short-term future, at least, the spread of Communist influence in Southeast Asia probably will continue, acquiring new momentum with every local triumph, in default of: (1) development of an indigenous Asian regional association capable of resisting the expansion of Soviet influence in the Far East; (2) Western success in convincing the local populations that "colonialism" is not a threat and that Soviet control is a direct threat to national independence; (3) effective US aid. Even if India and the lesser states of South and Southeast Asia began to cooperate effectively with one another and if they could be persuaded that the Western Powers had completely renounced the old Far Eastern colonial system, a firm military (and political) front against Soviet and Chinese Communist influence could be maintained only on the basis of a comprehensive economic development program designed to give the populations as a whole a stake in their national evolution. There is very little time to organize such an effort to save Southeast Asia and the difficulties in the way appear almost insuperable. The other alternatives, however, are either to write off Southeast Asia at once in order to concentrate on areas of more vital strategic value to the US or to accept the probability that it will be lost after a period in which it drains off French, British, and US resources badly needed elsewhere.

5. Middle East.

The flexibility of Soviet tactics is revealed in the current turn of Soviet behavior in the

Middle East, particularly toward Iran. While bringing heavy pressure to bear on most non-Soviet countries, reaching a peak in the Korean attack, the USSR has recently been pursuing a soft policy toward such countries as Iran, Afghanistan, and India, which the Kremlin evidently wishes merely to neutralize for the time being. In Iran, as a matter of fact, this soft treatment poses a more difficult problem for the Iranian Government than would a harsher attitude and may yield considerable advantages to the USSR without further resort to pressure tactics. The USSR has returned Iranian soldiers previously held prisoner, entered into negotiations for a trade agreement and the return of impounded Iranian gold, and proposed to set up a commission for frontier rectification.

These appeasement moves, though they have not been accompanied by any slackening of Soviet-inspired separatist agitation in Azerbaijan and among the Kurds, will stimulate the traditional Iranian desire for a foreign policy dedicated to neutrality. The new Soviet approach is well-timed, since the firmly pro-Western Razmara Government is encountering grave difficulties in its chosen policy of rehabilitating the Iranian economy with US help. While Premier Razmara is not likely to relax his vigilance toward ultimate Soviet designs on Iran, these Soviet gestures of friendship will encourage criticism along the line that Iran has become too closely associated with the US and too dependent on US aid that was not forthcoming. Should the combination of Soviet maneuvering and the anticipated economic hardships of the winter months cause Razmara's downfall, the present cabinet might well be replaced by a government much less firm in its opposition to the extension of Soviet influence in Iran and even, after a time, by a government openly in favor of appeasement of the USSR.

6. Propaganda War.

Concurrently with its integrated campaign of aggression, pressure, and political entice-

ment around the borders of the Soviet sphere, the USSR is vigorously prosecuting its propaganda warfare in the UN. Soviet obstructive tactics in the UN Security Council have resulted in no spectacular victories, since there was no way to invalidate the June Security Council resolutions that formed the basis of UN intervention in Korea. Nevertheless, the USSR succeeded in broadening the Security Council agenda to include Communist charges of US aggression, thus obscuring somewhat the issue of North Korean aggression and introducing a bargaining point of possible use in a future settlement of the Korean war.

Chinese Communist charges of US aggression, both on Taiwan and along the Korean-Manchurian frontier, and charges of French and British border "violations" as well, could of course be used as "justification" for Chinese Communist intervention in Korea or elsewhere. At present, however, the USSR is using the threat of Chinese Communist intervention in an attempt to intimidate the US and its UN allies and divide them from one another.

Soviet tactics in UN meetings during September will probably continue in the pattern evident since the return of Soviet delegate Malik on 1 August. However, US willingness to have charges of "US aggression" placed on the SC agenda and to have UN commissions make on-the-spot investigations has considerably deflated these potentially dangerous Soviet propaganda efforts. The impact of these charges will be further reduced if the US backs a UN solution for the eventual disposition of Taiwan and follows up its present meticulously correct attitude on the charges of violations of Chinese territory by US aircraft. A continuation of such parliamentary successes in the SC would enable the US to counter Soviet propaganda moves and to prepare the ground for what will probably develop into the most solid anti-Soviet front yet displayed in the UN General Assembly.

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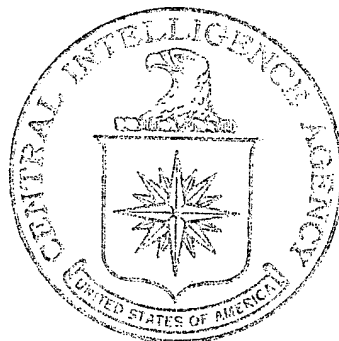
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CRITICAL SITUATIONS IN THE FAR EAST

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CRITICAL SITUATIONS IN THE FAR EAST

FOREWORD

This set of estimates regarding critical situations in the Far East was prepared in response to a request from the President. The intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force participated in the preparation of these estimates and concur in them.

The estimates follow in this order:

- A. Threat of Full Chinese Communist Intervention in Korea
- B. Threat of Soviet Intervention in Korea
- C. Threat of Chinese Communist Invasion of Formosa

- D. Threat of Chinese Communist Invasion of Indochina
- E. Communist Capabilities and Threat in the Philippines
- F. General Soviet and Chinese Communist Intentions and Capabilities in the Far East

Inasmuch as the conclusions reached with respect to these particular situations in the Far East depend in part on the possibility of a Soviet decision to resort to global war, the latest agreed estimate concerning that decision is included as Section G.

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CRITICAL SITUATIONS IN THE FAR EAST

A. Threat of Full Chinese Communist Intervention in Korea

I. Statement of the Problem.

1. To estimate the threat of full-scale Chinese Communist intervention in Korea.

II. Capabilities.

2. The Chinese Communist ground forces, currently lacking requisite air and naval support, are capable of intervening effectively, but not necessarily decisively, in the Korean conflict.

III. Factors Bearing on Intent.

3. *Indications of Intentions.* Despite statements by Chou En-lai, troop movements to Manchuria, and propaganda charges of atrocities and border violations, there are no convincing indications of an actual Chinese Communist intention to resort to full-scale intervention in Korea.

4. *Factors Favoring Chinese Communist Intervention.*

a. Intervention, if resulting in defeat of UN forces, would: (1) constitute a major gain in prestige for Communist China, confirming it as the premier Asiatic power; (2) constitute a major gain for World Communism with concomitant increase in Communist China's stature in the Sino-Soviet axis; (3) result in the elimination of the possibility of a common frontier with a Western-type democracy; and (4) permit the retention of sources of Manchurian electric power along the Yalu River.

b. Intervention, even if not resulting in a decisive defeat of UN forces, would: (1) enable the Chinese Communists to utilize foreign war as an explanation for failure to carry out previously announced economic reforms; (2) be consistent with and furnish strong impetus to anti-Western trends in Asia; and (3) justify a claim for maximum Soviet military and/or economic aid to China.

c. Intervention, with or without assurance of final victory, might serve the cause of World Communism, particularly the cause of the So-

viet Union, in that it would involve the Western bloc in a costly and possibly inconclusive war in the Far East.

d. The Communist cause generally and the Sino-Soviet bloc particularly face the prospect of a major setback in the struggle with the non-Communist world if UN forces are permitted to achieve complete victory in Korea.

5. *Factors Opposing Chinese Communist Intervention.*

a. The Chinese Communists undoubtedly fear the consequences of war with the US. Their domestic problems are of such magnitude that the regime's entire domestic program and economy would be jeopardized by the strains and the material damage which would be sustained in war with the US. Anti-Communist forces would be encouraged and the regime's very existence would be endangered.

b. Intervention would minimize the possibility of Chinese membership in the UN and of a seat on the Security Council.

c. Open intervention would be extremely costly unless protected by powerful Soviet air cover and naval support. Such Soviet aid might not be forthcoming because it would constitute Soviet intervention.

d. Acceptance of major Soviet aid would make Peiping more dependent on Soviet help and increase Soviet control in Manchuria to a point probably unwelcome to the Chinese Communists.

e. If unsuccessful, Chinese intervention would lay Peiping open to Chinese resentment on the grounds that China would be acting as a Soviet catspaw.

f. From a military standpoint the most favorable time for intervention in Korea has passed.

g. Continued covert aid would offer most of the advantages of overt intervention, while

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B. Threat of Soviet Intervention in Korea

I. Statement of the Problem.

1. To estimate the threat of direct Soviet military intervention in Korea during 1950.

II. Capabilities.

2. Soviet armed forces now in the Far East are capable of intervening overwhelmingly in Korea virtually without warning.

III. Factors Bearing on Intent.

3. *Indications of Intentions.* The Soviet Union to date has given no indication that it intends to intervene directly in Korea. Since the beginning of hostilities the Soviet Union has sought in its official statements and in its propaganda to give the impression that it is not involved in the Korean situation. Moreover, the USSR has taken no political or military actions that constitute direct armed intervention in Korea. However, the Soviet Government for some months has been increasingly improving its military capabilities in the Far East as well as in other strategic areas.

4. *Factors Favoring Soviet Intervention.* The defeat of North Korea would constitute a major setback for the USSR. It would involve:

a. The loss of a Satellite, and the establishment of a Western-oriented state on the frontiers of Communist China and the USSR.

b. Giving the Western Powers a potential strategic bridgehead which the Kremlin would always regard as a threat to the industrial, communication, and military centers of Manchuria and the Soviet Far East.

c. Weakening the Soviet military and political position vis-à-vis Japan.

d. A loss to Soviet political prestige in that it would demonstrate that the Kremlin is not willing to support its followers effectively in a Soviet-instigated action.

e. A loss to Soviet military prestige in that it would lead to a tendency, whether or not

justified, to re-evaluate the effectiveness of Soviet military equipment and tactics.

f. A reduction in the prospects of the Soviet Union for expanding its political control by means short of war in that it would demonstrate the determination and capability of the non-Soviet world to resist effectively Soviet-inspired aggression.

5. *Factors Opposing Soviet Intervention.*

a. In weighing potential gains and risks of intervention, the Soviet leaders must calculate, as an overwhelming consideration, that their open intervention would lead to direct hostilities with US and other UN forces over an issue on which the Western world has achieved a new degree of unity. Soviet leaders would have no assurance that combat between Soviet and US forces would be limited by the US to Korea or to the Far Eastern theater. Consequently, a decision to intervene openly in Korea, in the ultimate analysis, involves a decision to risk immediate and probably global war with the US.

b. The Soviet leaders may estimate that it will be possible, without assuming this all-critical risk, to salvage some of the losses suffered from the Korean situation. US military activities could be obstructed by extensive guerrilla action, which might involve the US in an extended and costly occupation and which could contribute to Soviet efforts to develop in Asia a racial enmity toward the US and the Western Powers.

IV. Probabilities of Soviet Action.

6. It is believed that the Soviet leaders will not consider that their prospective losses in Korea warrant direct military intervention and a consequent grave risk of war. They will intervene in the Korean hostilities only if they have decided, not on the basis of the Korean situation alone, but on the basis of over-all considerations, that it is to their interest to precipitate a global war at this time.

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C. Threat of Chinese Communist Invasion of Formosa

I. Statement of the Problem.

1. To estimate the threat of Chinese Communist invasion of Formosa during 1950.

II. Capabilities.

2. Despite certain definite Chinese Communist deficiencies in naval and air forces and probably in amphibious training and doctrine, the Communists are now capable of launching an invasion against Formosa with about 200,000 troops and moderate air cover. The USSR could at a minimum furnish tactical advice and technical and logistic support.

3. Although Chinese Nationalist forces are sufficient in number and materiel to defend Formosa, lack of staying power, poor command structure, lack of inter-service coordination, questionable morale and shortages of some types of ammunition make their defense capabilities questionable.

4. Without direct Soviet participation and given strong naval and air assistance by the US armed forces, the Chinese Nationalist defense forces are capable of holding Formosa against a determined Chinese Communist invasion.

III. Factors Bearing on Intent.

5. *Indications of Intentions.* Frequent official statements of the Chinese Communists have clearly indicated their intention to seize control of Formosa. However, available intelligence does not indicate their intention to do so in the immediate future. An unknown factor bearing upon the intent to invade is the degree of control the USSR is capable of exercising over the Chinese Communists, and the Soviet intent with respect to Formosa.

6. *Factors Favoring Invasion of Formosa.*

a. The occupation of Formosa would remove the symbol of Nationalist resistance; eliminate a potential source of coordinated opposition to the Chinese Communist regime;

and would seriously diminish continued anti-Communist resistance in China and throughout Southeast Asia.

b. Abandonment or continued postponement of an attack on Formosa would result in a loss of "face" to the Chinese Communists.

c. Formosa would provide the Chinese Communists with a small but significant source of foreign exchange, and a potential source of rice, thereby contributing somewhat to Chinese Communist capabilities for economic reconstruction.

7. *Factors Opposing an Invasion of Formosa.*

a. Success would be improbable.

b. An attack involves the risk of war with the US as long as US forces are interposed between Formosa and the mainland. The Chinese Communist leadership would be reluctant to jeopardize its popular support, domestic achievements, and internal program by an attack on Formosa that could lead to retaliatory air attacks on Chinese cities, to a strict blockade of the Chinese coast, to strong economic sanctions, and to protracted warfare that could sap Chinese economic strength.

c. The Chinese Communists face serious domestic problems, including banditry, widespread unrest, guerrilla opposition, economic stagnation, agrarian maladjustments, and the problems involved in consolidating the Communist Party's political control. For these reasons the danger exists that, if attacks should fail or prove unduly costly, the present apparent solidarity of the Communist regime would be subjected to a severe strain.

d. In view of current UN interest in Formosa, the Chinese Communists have some reason to hope for a favorable political solution.

IV. Probability of Chinese Communist Invasion.

8. It is believed that, barring a Soviet decision to precipitate global war, an invasion of Formosa by the Chinese Communists will not be attempted during the remainder of 1950.

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D. Threat of A Chinese Communist Invasion of Indochina

I. Statement of the Problem.

1. To estimate the threat of a Chinese Communist invasion of Indochina in 1950.

II. Capabilities.

2. From forces presently deployed near the Indochina border, the Chinese Communists could commit 100,000 troops for an invasion of Indochina without appreciable forewarning. Approximately 150,000 additional Chinese Communist troops could arrive at the border in support of an invasion within ten days. Reinforcements and supplies might be moved by sea to rebel-held sections of the Indochina coast. It is also within Chinese Communist capabilities to furnish air support for an invasion.

3. These capabilities could be exercised without jeopardy to other possible Chinese Communist military operations in the Far East, except to the already inadequate air support for a simultaneous North Korean or Formosan intervention.

4. If the Chinese Communists should invade Indochina, it is almost certain that the defending forces under the French would soon lose all of Vietnam, except Cochin China.

III. Factors Bearing on Intent.

5. *Indications of Intentions.*

a. The construction and improvement of roads, railroads, and air facilities; the provision of technical and training assistance and advisory personnel; present logistic support from the border provinces of Kwangtung, Kwangsi, and Yunnan — all these might be construed as positive indicators of an impending invasion. These activities, however, might also be indicators of an increase in the flow of Chinese Communist aid to the Viet Minh Communists, rather than of Chinese invasion.

b. Although Chinese Communists have given propaganda support to the Viet Minh, there has been no public Chinese Communist statement which could reasonably be construed as a commitment to invade or as justification for invasion.

6. *Factors Favoring Intervention.*

a. A Chinese Communist invasion of Indochina would be the most rapid means of establishing a Communist Indochina.

b. The fall of Vietnam to the Communists would facilitate establishment of Communist control over Burma and Thailand.

c. An early Communist victory in Indochina would in part offset the loss of International Communist prestige occasioned by Communist reverses in Korea.

d. The Chinese Communists, operating on behalf of International Communism, might invade Indochina with the hope that, even if UN intervention should deprive them of complete victory, Western bloc forces would be involved in inconclusive warfare in the Far East.

7. *Factors Opposing Intervention.*

a. A Chinese Communist invasion of Indochina would greatly increase the risk of Chinese Communist involvement in war against the Western Powers or the UN, as well as the risk of global war.

b. Recent Viet Minh military successes have increased the probability that Communist control of Indochina can be ultimately secured without resort to Chinese Communist invasion, providing there is no major increase of presently planned external assistance to the French and their supporters.

c. Viet Minh capabilities can be substantially increased without resort to open intervention.

d. Invasion of Indochina by Chinese Communist troops would arouse local anti-Chinese sentiment and could be a serious source of command conflict between Peiping and Viet Minh leadership.

e. A Chinese Communist invasion would tend to antagonize the presently neutral states of Asia, particularly India.

f. Communist China's prospects for membership in the UN and UN-sponsored organizations would be jeopardized and the opportunity for the establishment of diplomatic rela-

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E. Communist Capabilities and Threat in the Philippines

I. Statement of the Problem.

1. To estimate the Communist capabilities and threat in the Philippines.

II. Capabilities.

2. *The Huks.* The Huks (*Hukbong Mapagpalaya Ng Bayan*) are today the army of Philippine Communism, led by avowed Communists who follow the policies and seek to further the objectives of World Communism. Their armed strength is estimated at no more than about 10,000. The Huks are essentially a guerrilla organization, utilizing "hit and run" tactics; making maximum use of the elements of surprise, choice of terrain, and mobility; and avoiding frontal engagement with government forces. The Huks, who are limited almost exclusively to infantry weapons, have the capability of mounting several comparatively large-scale (300-500 men) coordinated attacks simultaneously against widely separated targets. During 1949-50, they have expanded their areas of operation throughout Luzon and to other islands of the Philippines. In recent months they have carried out better coordinated and more widespread attacks. The Huks have terrorized local communities and interfered with travel. They can extend and intensify their operations, particularly in weakly defended provincial areas, and may well stage another series of coordinated attacks before the end of 1950.

3. Supporting Elements.

a. Support of the Huk movement, apart from that derived from unorganized lawless elements, is found among large numbers of peasants, who willingly or by force and intimidation contribute to the Huk movement. Another source of support is found in the Philippine labor movement, where low real wages and poor conditions of work permit exploitation of the union movements by Communist organizers.

b. Since the Communists have achieved power in China, it is believed that a number of the approximately half a million Philippine Chinese have already aligned themselves with the Peiping regime. Such Chinese are probably facilitating Communist communications, providing financial support, and otherwise rendering aid to the Huks.

c. Available intelligence does not indicate that the Huks have received, or are likely to receive, sufficient assistance from external Communist sources to alter their military capabilities significantly during 1950.

4. *Government Countermeasures.* Government efforts to deal with the Huk problem have been ineffective thus far. Government forces have been and are able to maintain over-all internal security but are unable to control local areas where dissident groups are strongest. Recently reorganized armed forces may be able to deal more effectively with Huk activities, but little improvement is anticipated during 1950. Disillusionment with the government's ineffectiveness has caused many persons who are not active Huk supporters to become indifferent and uncooperative toward government efforts to stamp out the dissident forces. The government, moreover, has shown little disposition to adopt and implement basic agrarian and social reforms which might reduce considerably the number of peasants who support the Huks. Such a reduction would lessen measurably Huk capabilities and the intensity of their operations, but would not eliminate the hard core of the Huk movement which would continue to pose a burdensome security problem.

IV. Conclusions.

5. While the Huks are capable of conducting widespread, coordinated raids particularly in central Luzon, and creating some disturbances in the Manila area, it is estimated that they cannot overthrow the Philippine Government in 1950.

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F. General Soviet and Chinese Communist Intentions and Capabilities in the Far East

I. Statement of the Problem.

1. To estimate general Soviet and Chinese Communist intentions and capabilities in the Far East in 1950.

II. Objectives.

2. The Soviet Union and Communist China share the common objective of establishing Communist control throughout the Far East. Logically, both would prefer to secure this objective without resort to general war. The Soviet Union includes in its objective Kremlin control of a communized Asia, including China. While the Chinese Communists may well object to such Kremlin control, they have given no overt indication that they do not accept the primacy of Moscow in International Communism.

III. Capabilities.

3. *Short of Direct Employment of Armed Forces.* The Soviet Union and Communist China have the capacity, through a continuation of measures short of war, further to develop the strength of Communism in all areas in the Far East except those occupied by US or UN forces. It is estimated, however, that in no area of the Far East, except Tibet and possibly Indochina unless presently planned external assistance is increased, do they have the capability of establishing complete Communist control during 1950 through such measures.

4. *With Full-Scale Employment of Armed Forces.* In the event of war beginning in 1950:

a. The Soviet Union acting alone has the capability of rapidly occupying Korea, Hokkaido, and Okinawa; of launching a substantial amphibious-airborne invasion of Honshu; and of conducting harassing attacks on the Aleutians, Kyushu, Formosa, the Philippines, and other islands in the adjacent waters, and lines of communication.

b. Communist China acting alone possesses the capability to overrun Tibet and substantial portions of the mainland of Southeast Asia, and to make a strong attack on Korea.

c. In combination, the Soviet Union and Communist China have the capability of overrunning practically all the Asiatic mainland and possibly of occupying all Japan and Formosa.

IV. Intentions.

5. Both the Soviet Union and Communist China have clearly indicated that they intend to pursue without pause their goal of extending Communist control over every vulnerable area in the Far East by every means open to them short of direct use of their armed forces. Neither has given concrete indication of an intention to employ during 1950 its own armed forces outside its own boundaries.

6. It is estimated in particular that, barring a Soviet decision to precipitate a global war, the Soviet Union will not during 1950 intervene directly with its armed forces in Korean hostilities, and the Chinese Communists probably will not in 1950 attempt to invade Korea, Formosa, or Indochina.

7. With respect to a possible Soviet decision to precipitate global war, the latest agreed conclusions are set forth in Enclosure G.

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G. Conclusions Regarding A Possible Soviet Decision To Precipitate Global War

1. The Soviet rulers are simultaneously motivated by Marxist-Leninist-Stalinist doctrine and by considerations affecting the position of the Soviet Union as a world power. They have made clear that their long-term object is to establish World Communism under the domination of the Kremlin. Their immediate concerns, however, are:

a. To maintain the control of the Kremlin over the peoples of the Soviet Union.

b. To strengthen the economic and military position and defend the territory of the Soviet Union.

c. To consolidate control over the European and Asian Satellites (including Communist China).

d. To make secure the strategic approaches to the Soviet Union, and to prevent the establishment, in Europe and Asia, of forces capable of threatening the Soviet position.

e. To eliminate Anglo-American influence in Europe and Asia.

f. To establish Soviet domination over Europe and Asia.

g. To weaken and disintegrate the non-Soviet world generally.

The Soviet Union will try to pursue these objectives simultaneously. In case of conflict between one and another of these objectives, however, it may be expected that the Soviet rulers will attach greater importance to the first four listed, and in that order.

2. On the basis that the long-term object of the Soviet rulers is immutable and dynamic, and that the Western Powers are not prepared to succumb to Soviet domination without a fight, there is, and will continue to be, grave danger of war between the Soviet Union and its satellites on the one hand, and the Western Powers and their allies on the other.

3. The Soviet Union will continue relentlessly its aggressive pressures on the power position of the Western nations.

4. The Soviet rulers could achieve, and are in a fair way toward achieving, the first three parts of their object (see *a, b, c* above) without risk of involvement in direct armed conflict with the Western Powers.

5. Parts *d, e, f,* and *g* of their object are improbable of achievement without the employment of armed force, though there are still factors in the existing situation which might well lead Soviet rulers to consider that, in certain circumstances, and in the absence of effective armed opposition by the Western Powers, they might ultimately attain these parts of their object without the overt involvement of Soviet armed forces.

6. In pressing to achieve parts *d, e, f,* and *g* of their object, the Soviet rulers will, at certain stages, inevitably impinge upon the vital interests of the Western Powers and so incur the risk of involvement in a general war precipitated through the necessary reactions of the Western Powers.

7. In the belief that their object cannot be fully attained without involvement in a general war against the Western Powers, the Soviet rulers may decide deliberately to provoke such a war at a moment when, in their opinion, the strength of the Soviet Union vis-à-vis the Western Powers is at its maximum. It is estimated that such a period exists now and will extend from the present through 1954 (Note 1) with its peak at about halfway, i.e., 1952 (Note 2).

8. From the point of view of military forces and economic potential, the Soviet Union is in a position to conduct a general war of limited duration now if Soviet rulers thought it desirable or expedient.

9. While intelligence is lacking to permit a valid prediction as to whether or when the Soviet Union may actually exercise its initiative and capability to launch a general war, in view of the foregoing it must be recognized that the risk of a general war exists now and

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REVIEW OF THE WORLD SITUATION



CIA 10-1550

Published 18 October 1950

CENTRAL INTELLIGENCE AGENCY

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

SUMMARY

1. The Soviet Korean venture, a laboratory test in the use of non-Soviet Communist forces to fight a local war of limited objectives, has ended in failure. While the tactical device itself has not necessarily been discredited, if the Kremlin should employ it in the future the USSR will have to reckon with the capabilities of UN powers to intervene effectively. In the meantime, the commitment of UN ground, sea, and air units and the successful support of South Korea have marked a line beyond which Soviet-sponsored aggression cannot go without being forcefully challenged.

a. Barring a Soviet decision to precipitate global war, the USSR is unlikely to commit its own military forces to rescue the North Koreans. Instead, the Kremlin probably will aid the North Korean Communists to hold organized defensive positions as long as possible and then to harass UN forces by employing the time-honored tactics of guerrilla warfare, subversion, and propaganda.

b. Unless the USSR is ready to precipitate global war, or unless for some reason the Peiping leaders do not think that war with the US would result from open intervention in Korea, the odds are that Communist China, like the USSR, will not openly intervene in North Korea.

c. It is too early to determine what the long-range effects of the Korean defeat will have on the USSR, but it is quite possible that the sacrifice of a Satellite will be a point of contention within the Communist movement for some time to come and may aggravate resentment of Soviet predominance in the Communist movement.

2. The rapid pace of recent events in the Far East has not, as the USSR may have

hoped, diverted US attention from the fact that Western Europe is the area of the world most vital to US security. The emphasis in the Atlantic community of nations is shifting away from economic recovery, designed primarily to meet the internal Communist menace, and shifting toward the task of building up defensive capabilities that can deter military aggression or sustain the initial shock of an attack if it should come. In the long run, the most important effect of the Soviet venture in Korea may be that it has given new vigor to the effort to revive Western Europe as a power-complex and thereby redress the world balance of power.

a. Impelled by events in Korea, the NAT system is passing from the stage of initial planning and organization to active execution of plans. The crucial problem ahead is whether or not the European allies of the US can sustain morale and exert efforts sufficient to establish adequate defensive capabilities against the threat of military aggression.

b. The reluctance of the European NAT countries to divert substantial resources from economic recovery to defense is largely a reflection of doubts as to whether Europe can sustain an intensive rearmament effort without destroying the essential economic underpinning of Western European defense.

c. It appears that a more unified effort in every field of activity is necessary if the Atlantic community is to meet the threat posed by the USSR in the shortest time and at the lowest possible cost.

d. All the Western European countries, including France and Germany, have recognized the ultimate need for West German industrial and military contributions to the common de-

Note: This review has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force. The review contains information available to CIA as of 13 October 1950.

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fense of Western Europe. The Germans are increasingly gaining a position to exact a high political price for the services they can render to Western Europe and the US. Nevertheless, while seeking in every way to get an equal role in the Western community, the Adenauer government is firmly committed to the Western European camp.

e. At best, Western Europe will require three or four years to achieve a state of comparative preparedness sufficient to deter or meet the

danger of military attack. Meanwhile, Soviet war-readiness and Satellite capabilities steadily increase. It is entirely possible that a greater and longer sustained effort than the program now being blocked out will be required of the US and its European allies.

3. An extensive drought in Yugoslavia, which has materially reduced agricultural production, has created a serious threat to the internal stability of the Tito government.

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

1. Strategic Aftermath of the Korean Venture.

The Soviet Korean venture, a laboratory test in the use of non-Soviet Communist forces to fight a local war of limited objectives, has ended in failure. The margin by which the North Korean forces failed to overrun and occupy all South Korea was narrow, and the test would have been a conspicuous success but for the intervention of UN forces. The tactical device itself, therefore, has not necessarily been discredited, but if the Kremlin should employ it in the future the USSR will have to reckon with the capabilities of UN powers to intervene effectively. Nevertheless, the prompt commitment of UN ground, sea, and air units in support of South Korea has marked a line beyond which Soviet-sponsored aggression cannot, in the meantime, go without being forcefully challenged. US initiative in drawing this line, combined with UN action against the North Korean forces, has redounded to the credit of the UN and in particular to the credit of the US policy of general containment of Soviet expansion.

Since the USSR has scrupulously maintained the thin fiction of having no responsibility for the actions of Soviet-trained, Soviet-equipped, Soviet-supplied Communist armies in Korea, the Kremlin can afford to write off the Korean venture and try to minimize the tactical defeat it has suffered. There is unlikely, however, to be any basic change in the normally aggressive character of Soviet strategy and Soviet foreign policy.

a. Soviet Reaction.

In attempting to minimize or offset the adverse effects of the military defeat suffered by the Communist forces in Korea, the USSR probably will rely on the North Koreans themselves to oppose UN occupation of North Korea. Barring a Soviet decision to precipitate global war, the USSR is unlikely to commit its own military forces to rescue the North Koreans. Instead, the Kremlin probably will aid the

North Korean Communists to hold organized defensive positions as long as possible and then to harass UN forces by employing the time-honored tactics of guerrilla warfare, subversion, and propaganda. There has been no evidence of any breakdown in the internal discipline of the North Korean Communists. Their leaders have been through many years of adversity in China and Japanese-occupied Korea, and they probably will continue fighting in one way or another for the Communist cause regardless of local defeats in Korea. The USSR probably can depend on these men to continue organized military operations in defense of North Korea as long as possible and then to try to obstruct UN occupation and pacification of the area indefinitely. Continued resistance by military units and guerrilla operations, probably supported from Manchuria, might force advancing UN contingents virtually to lay waste to the country, thereby confronting any UN-sponsored regime with enormous economic reconstruction problems.

b. Possibility of Chinese Communist Intervention.

There have been a number of reports that the Chinese would openly intervene after UN troops (as distinguished from Republic of Korea troops) crossed the 38th Parallel. There are certainly enough Chinese Communist forces readily available in Manchuria to permit military intervention on a scale sufficient to alter the course of events in Korea. In a sense, of course, the Chinese Communists already have "intervened," since forty to sixty thousand Chinese-trained troops of Korean origin have been fighting in the North Korean army and since Manchuria is a major supply source for North Korea. Further covert reinforcement and supply of the North Korean army almost certainly will continue.

It is becoming less and less likely, however, that Chinese Communist troop units will openly enter the battle under the flag of the

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Peiping regime. The time has passed when Chinese intervention would have turned the military tide toward a complete Communist victory in Korea. While willing to participate in a war-of-nerves maneuver that probably was designed to dissuade UN troops from invading North Korea, or at least to delay UN troops long enough for the North Koreans to regroup forces and establish a defensive position, the Chinese Communists are unlikely to be willing to come to the assistance of the North Koreans at the risk of becoming involved in open hostilities with the US and its UN allies. The Chinese Communists cannot fail to be unaware that war with the US, at least in the absence of a general East-West war, would be disastrous not only to China's interests in general but also to the domestic program and stability of the Peiping regime. Therefore they are likely to try to avoid open participation in military operations outside China's traditional boundaries. Thus, unless the USSR is ready to precipitate global war, or unless for some reason the Peiping leaders do not think that war with the US would result from open intervention in Korea, the odds are that Communist China, like the USSR, will not openly intervene against the UN troops in North Korea.

c. Consequences of Soviet Failure.

Whatever the course of organized fighting and guerrilla resistance in North Korea, the USSR will make strenuous efforts to recoup the prestige lost as a result of the defeat of North Korean forces. The defeat must be a matter of serious concern to the Kremlin, in view of (1) the united reaction of the non-Communist world to Communist aggression in Korea and the rapid strides toward rearmament undertaken by the US and its allies; (2) the possibility of eventual repercussions within the Satellites and the International Communist movement resulting from a demonstration of the Kremlin's fallibility as well as of the unwillingness of the USSR to rescue one of its Satellites; (3) a setback to the Communist propaganda claim of the early success of colonial liberation movements under the leadership of the Communist parties; (4) establishment of the fact that the advance of Soviet power and influence in Asia can be

challenged and repelled. It is too early to determine what the long-range effects of the Korean defeat will have on the USSR, but it is quite possible that the sacrifice of a Satellite will be a point of contention within the Communist movement for some time to come and may aggravate resentment of Soviet predominance in the Communist movement.

2. New Phase in the Revival of the European Power-Complex.

The rapid pace of recent events in the Far East has not, as the USSR may have hoped, diverted US attention from the fact that Western Europe is the area of the world most vital to US security. The problem of recreating a stable European power-complex has entered a new phase, ushered in by the sense of urgency engendered by Soviet-sponsored aggression in Korea. The emphasis in the Atlantic community of nations is shifting away from economic recovery, designed primarily to meet the internal Communist menace, and shifting toward the task of building up defensive capabilities that can deter military aggression or sustain the initial shock of an attack if it should come. This shift to emphasis on rearmament, designed to protect the fruits of past economic accomplishments against the danger of foreign conquest, raises a host of difficult problems. Their solution is essential to US security interests, and in the long run the most important effect of the Soviet venture in Korea may be that it has given a new vigor to the effort to revive Western Europe as a power-complex and thereby redress the world balance of power.

a. NATO Rearmament.

Given the basic decision of the NAT countries that rapid improvement in defensive capabilities is essential, the present problem is no longer whether or when to rearm but whether they can rearm fully and quickly enough. Impelled by events in Korea, the NAT system is passing from the stage of initial planning and organization to active execution of plans. The Europeans in general reacted favorably to the US (and UK) announcement of the early commitment of additional forces to Europe and to the strong US initiative shown at the recent NAT Deputies meetings

and the Foreign Ministers sessions in New York. At these sessions the NAT powers have made the far-reaching decision that, on the strictly military side at least, the defense of Western Europe is to be on a fully unified basis. The NAT countries have also agreed, at least in principle, on a High Priority Production Program designed to provide an immediate start toward filling the most critical deficiencies in military equipment.

Under the impact of the quick US reaction and subsequent UN successes in Korea, there has been a marked improvement in Western European morale. The crucial problem ahead is whether or not the European allies of the US can sustain morale and exert efforts sufficient to establish adequate defensive capabilities against the threat of military aggression. There still remains among both governments and peoples considerable lack of confidence in the ability of Western Europe to rearm adequately and simultaneously to solve the economic problems that are pressing. The European NAT members, including the UK, are acutely conscious of how precarious is their economic stability and how large is the need for continuing emphasis on recovery. Consequently, they do not feel in a position to divert the same relative resources to rearmament purposes as the US. Despite the fact that some US estimates have indicated that the NAT countries could undertake from \$10-12 billion in rearmament over the coming three-year period without any marked lowering of living standards, the Western European nations are reluctant to undertake the drastic revision of present economic objectives necessary to achieve this level of defense effort. They point out that internal stability is still as important a defense against Communism as adequate military defenses, and they are unwilling to assign overriding priority to the latter. The British in particular display this attitude and are seeking a major US commitment of financial assistance as essential to large-scale rearmament on their part.

b. The Economic Problem.

The reluctance of the European NAT countries to divert substantial resources from economic recovery to defense is largely a reflection of doubts as to whether Europe can sus-

tain an intensive rearmament effort without destroying the essential economic underpinning of Western European defense. Despite Europe's remarkable postwar economic recovery and the attainment of reasonable financial stability, it is already evident that, in the aftermath of Korea, Europe will again be plagued by inflation and shortages of critical materials. Moreover, the first phase of European recovery has involved forced-draft capital investment, with a postponement of appreciable increases in consumption and living standards. Now, just when European peoples are about to reap some of the economic advantages of this program, they are faced with continued belt-tightening or perhaps even a re-imposition of stringent economic controls. The unpleasant necessity of continued restriction of consumption levels, new tax increases, and the postponement of contemplated investment programs may require more determination and effort in the direction of containing inflationary pressures, reorienting investment programs, and in general controlling the economic repercussions of rearmament, than the Europeans are able to sustain.

c. The Need for a More Unified European Effort.

It appears, moreover, that a more unified effort in every field of activity is necessary if the Atlantic community is to meet the threat posed by the USSR in the shortest time and at the lowest possible cost. The search for ways to merge separate national interests in the pursuit of a common objective has been an outstanding feature of the postwar European scene. It has developed pragmatically in different forms and at different levels, but in general there has been a gradual evolution from a concept of strictly European institutions, with the US supporting but not participating, to the idea of a looser but broader Atlantic Community, with full US participation. Recently, as rearmament has begun to take the center of the stage, economic and political as well as military matters have been tending to merge under the umbrella of the North Atlantic Treaty. The probable economic impact of rearmament on the national economies makes it more imperative than ever that the shock be shared and minimized. In addition,

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the whole experiment of European unification hinges upon finding an effective means of utilizing German resources while preventing another upsurge of German aggression. It remains questionable whether the movement toward a unified Western European-US effort can become sufficiently operative in time to achieve the objectives that are essential to US security.

d. German Rearmament.

The increase in the tempo of Western European preparations for defense has made more urgent some decision on the question of German rearmament. Recreation of an independent national army and a full-scale munitions industry in West Germany has been clearly rejected by all the North Atlantic Pact (NATO) nations and the majority of the Germans themselves. Nevertheless, all the Western European countries, including France and Germany, have recognized the ultimate need for West German industrial and military contributions to the common defense of Western Europe. Present French opposition relates to the timing rather than the principle of German rearmament, although the French attitude is holding up a firm decision. The French maintain that West German militarization may result in reduced cooperation on the part of the German Federal Government, revived military spirit among the German people, and increased Soviet suspicions of the military designs of the Western allies. Although not "irrevocably opposed" to German remilitarization at a later date, the French advocate prior development of a strong NATO army, a large NATO stockpile of munitions, and a firmly integrated command structure prior to the organization and training of any German units. French opposition probably will weaken as a result of pressure by the other NATO countries, particularly if the US were to guarantee both rapid delivery of arms and equipment for the expanded NATO forces now envisioned, and the creation of positive safeguards against eventual German dominance of an integrated Western force. The other NATO nations generally consider German remilitarization essential to European security and would probably consent to any formula acceptable to France. If German re-

militarization is eventually permitted, it probably will be restricted to military units of divisional size permanently assigned to the Western defense force under NATO command, and German units would be kept at a fixed ratio to the forces of the other participating nations. In any case, West Germany probably will be called on to furnish steel, raw materials, and finished goods not exclusively of a military nature, permitting the other Western nations to devote a larger proportion of their industrial output to munitions.

Meanwhile, the Germans are increasingly gaining a position to exact a high political price for the services that they can render to Western Europe and the US. The initiative for making or breaking the progress of Western Europe toward an effective defense against the USSR is passing into German hands as time goes on. Increasing NATO emphasis on the necessity of securing the cooperation of German manpower and military materiel to stop a possible Soviet advance has enabled the Germans, who are determined to make the most of the opportunity, to recover an appreciable measure of control over their external and internal affairs. The Adenauer government already has shown indications of its use of the leverage given it by the US position and the need for German steel, to influence the course of such efforts toward European integration as the Schuman Plan. Thus, with the prospect of increased coal and steel orders, as well as the removal of restrictions to meet the needs of the Western rearmament effort, the Germans no longer see the same advantages in merging their industry with the less efficient French, Belgian, and Italian ones under the Schuman Plan.

Nevertheless, German sentiment tends to favor participation in a Western defense force. West Germany desires remilitarization not only for reasons of security but also for the increased prestige and bargaining power it would gain by sharing in the common defense effort. Thus, while seeking in every way to get an equal role in the Western community, the Adenauer government is firmly committed to the Western European camp. If international tension continues to be high, it probably will impel the Atlantic community to find

a resolution of differences on the detailed character and timing of German rearmament.

e. Long-Range Prospects.

At best, Western Europe will require three or four years to achieve a state of comparative preparedness sufficient to deter or meet the danger of military attack. Meanwhile, Soviet war-readiness and Satellite capabilities steadily increase. By 1954 the USSR may not only have achieved more effective defenses against strategic air offensives but markedly increased strategic naval, air, and atomic capabilities of its own. It is difficult to foresee to what extent such Soviet achievements may neutralize the effect of presently projected NAT defense plans, but it is entirely possible that a greater and longer sustained effort than the program now being blocked out will be required of the US and its European allies.

3. Yugoslav Crisis.

An extensive drought in Yugoslavia, which has materially reduced agricultural produc-

tion, has created a serious threat to the internal stability of the Tito government. Extreme privation and some outright starvation are inevitable before spring unless substantial amounts of grain and other foods are imported. Since the deficit Yugoslav economy is incapable of financing required emergency imports, the economic crisis can be relieved appreciably only by substantial Western aid. The already widespread hostility of the peasants to the Tito regime is likely to increase as greater pressures are exerted by the local authorities to meet regional food quotas. The morale of the labor force, already low, will suffer further drops as a result of a sharp decline of living standards, which are still below pre-war levels. The situation as a whole will tend to undermine the ability and willingness of the Yugoslav people to resist hostile Soviet pressures, and the USSR will probably increase its already extensive efforts to overthrow Tito's heretical anti-Soviet Communist regime.

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CENTRAL INTELLIGENCE AGENCY
Washington 25, D. C.

EXHIBIT J

ER 1-3369
423479

1 November 1950

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Chinese Communist Intervention in Korea.

Fresh, newly-equipped North Korean troops have appeared in the Korean fighting, and it has been clearly established that Chinese Communist troops are also opposing UN forces. Present field estimates are that between 15,000 and 20,000 Chinese Communist troops organized in task force units are operating in North Korea while the parent units remain in Manchuria. Current reports of Soviet-type jet aircraft in the Antung-Sinuiju area indicate that the USSR may be providing at least logistic air defense for the Manchurian border. In addition, a radio broadcast of 31 October from the emergency North Korean capital of Sinuiju announced that a "Volunteer Corps for the Protection of the Suiho Hydroelectric Zone" has been formed to protect that area from the advancing UN forces. The broadcast emphasized the importance of the Suiho hydroelectric system to the industries of Manchuria and pointed out that Chinese People's Liberation Forces are concentrated along the Manchurian side of the Suiho zone.

This pattern of events and reports indicates that Communist China has decided, regardless of the increased risk of general war, to provide increased support and assistance to North Korean forces. Although the possibility can not be excluded that the Chinese Communists, under Soviet direction, are committing themselves to full-scale intervention

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in Korea, their main motivation at present appears to be to establish a limited "cordon sanitaire" south of the Yalu River. Primary objectives of the Chinese Communists in attempting to establish such a no-man's land would probably be: (a) to guarantee security of the Manchurian border from UN forces which the Chinese have labelled as invaders; and (b) to insure continued flow of electric power from the vital Suiho hydroelectric system to the industries of Manchuria. The preceding considerations, which are of direct concern to Communist China, would also be in line with the general desire to further international Communism by helping the North Koreans prolong their resistance.

The Chinese Communists probably genuinely fear an invasion of Manchuria despite the clear-cut definition of UN objectives. The reported evacuation of industrial machinery and civilian personnel from Mukden could be the consequence of such a fear although the possibility exists that this evacuation has been undertaken in an effort to anticipate possible retaliatory action by UN forces following Chinese Communist intervention in Korea. The Suiho hydroelectric system, with generators located on the Korean side of the Yalu River, provides a large part of South Manchuria's electricity and most of the power for the Fort Arthur naval base area. To date, the UN has made no statement regarding the distribution of Suiho power after UN forces take possession, and Chinese Communist apprehension may have been increased by the recent statement of a South Korean general that all power to Manchuria would be cut off.

(signed) Walter B. Smith & disp. via Spec Msgr 11
WALTER B. SMITH
Director

cc: Secretary of State
Secretary of Defense
Chairman, NSRB

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NATIONAL INTELLIGENCE ESTIMATE

CHINESE COMMUNIST
INTERVENTION IN KOREA



NIE-2

Published 8 November 1950

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NATIONAL INTELLIGENCE ESTIMATE

CHINESE COMMUNIST INTERVENTION IN KOREA

NIE-2

The intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force participated in the preparation of this estimate and concur in it. This paper is based on information available on 6 November 1950.

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CHINESE COMMUNIST INTERVENTION IN KOREA

THE PROBLEM

1. To estimate the scale and purpose of Chinese Communist intervention in North Korea and Chinese Communist capabilities and intentions.

SUMMARY AND CONCLUSIONS

2. Present Chinese Communist troop strength in North Korea is estimated at 30,000 to 40,000. Chinese Communist ground units are engaging UN forces at various points ranging from 30 to 100 miles south of the Korean-Manchurian border. Recent action has been marked also by the appearance of Soviet-type jet fighters in combat with US aircraft over Korea.
3. Present Chinese Communist troop strength in Manchuria is estimated at 700,000. Of this number, there are at least 200,000 regular field forces. These troop strengths, added to the forces already in Korea, are believed to make the Chinese Communists capable of: (a) halting further UN advance northward, through piecemeal commitment of troops; or (b) forcing UN withdrawal to defensive positions farther south by a powerful assault.
4. The objective of the Chinese Communist intervention appears to be to halt the advance of UN forces in Korea and to keep a Communist regime in being on Korean soil. In accomplishing this purpose, the Chinese Communists would: (a) avert the psychological and political consequences of a disastrous outcome of the Korean venture; (b) keep UN forces away from the actual frontiers of China and the USSR; (c) retain an area in Korea as a base of Communist military and guerrilla operations; (d) prolong indefinitely the containment of UN, especially US, forces in Korea; (e) control the distribution of hydroelectric power generated in North Korea and retain other economic benefits; and (f) create the possibility of a favorable political solution in Korea, despite the military defeat of the North Koreans.
5. The Chinese Communists thus far retain full freedom of action with respect to Korea. They are free to adjust their action in accordance with the development of the situation. If the Chinese Communists were to succeed in destroying the effective strength of UN forces in northern Korea, they would pursue their advantage as far as possible. If the military situation is stabilized, they may well consider that, with advantageous terrain and the onset of winter, their forces now in Korea are sufficient to accomplish their immediate purposes.
6. A likely and logical development of the present situation is that the opposing sides will build up their combat power in successive increments to checkmate the other until forces of major magnitude are involved. At any point in this development, the danger is present that the situation may get out of control and lead to a general war.
7. The Chinese Communists, in intervening in Korea, have accepted a grave risk of retaliation and general war. They would probably ignore an ultimatum requiring their withdrawal. If Chinese territory were to be attacked, they would probably enter Korea in full force.
8. The fact that both the Chinese Communists and the USSR have accepted an increased risk of a general war indicates either that the Kremlin is ready to face a showdown with the West at an early date or that circumstances have forced them to accept that risk.

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DISCUSSION

9. Actual Development of Intervention to Date.

Prior to mid-October, Chinese Communist support of the North Koreans consisted solely of logistical aid and moral support. Since that time, however, the Chinese Communists have been committing troops in increasing number so that at present UN forces are being engaged by Chinese Communist ground units in varying penetrations, ranging from 30 to 100 miles south of the Manchurian-Korean border.

To date, elements taken from the Chinese Communist 38th, 39th, 40th, and 42nd armies of the Fourth Field Army have been identified in the combat zone of Korea. Units of approximately battalion size from each division of three or more of the Chinese Communist armies along the Korean border in Manchuria have been combined to form units of approximately division size. One regular Chinese Communist division has been tentatively identified. Present Chinese Communist troop strength in North Korea is estimated to number from 30,000 to 40,000. This number, combined with an estimated 45,000 North Korean troops, constitutes an over-all enemy strength of 75,000 to 85,000. Of this total, an estimated 52,000 are in contact with UN forces.

The arrival of Chinese Communist ground units in the Korean fighting has been accompanied by a marked stiffening of North Korean resistance. The previously confused and disorganized North Korean units now appear to be in process of recommitment as reorganized and re-equipped combat units. There are indications that Chinese Communist forces in Korea are being reinforced.

Although the nationality of the hostile aircraft involved in recent incidents over the Korean-Manchurian border has not been definitely established, the fact that Soviet-type jet aircraft were involved indicates that the North Koreans are receiving air assistance from Manchuria in addition to direct ground force support from the Chinese Communists.

10. Chinese Communist Capabilities for Armed Intervention.

The over-all strength of the Chinese Communist ground forces is estimated at 2,800,000. Of this number, 1,770,000 are well-trained and well-equipped regular field forces, and the remainder are fairly well-trained and well-equipped military district troops. In addition, there are approximately 2,000,000 poorly-trained and poorly-equipped provincial troops.

Since spring 1950, there has been a general build-up of Chinese Communist tactical troop strength in Manchuria to a point which exceeds normal security needs. The movement of numerous major units from south and central China is estimated to have brought current Chinese Communist strength in Manchuria to approximately 700,000. Of this number, there are at least 200,000 regular field forces, comprising possibly eight to ten armies, plus elements of at least four other armies.

The Chinese Communist Air Force, not tested in combat to date, is believed to consist of 200 combat aircraft in tactical units. Of this 200, 40 are TU-2 light bombers, 40 are IL-10 ground attack, and 120 are LA-9 fighters. It is possible that the CCAF may include 30-40 Soviet-type swept-wing jet fighters formerly stationed in the vicinity of Shanghai, some of which are believed to have been the jet aircraft which have appeared in recent operations in North Korea.

With these ground forces and this air strength, the Chinese Communists could probably make available as many as 350,000 troops within 30 to 60 days for sustained ground operations in Korea and could provide limited air support and some armor. This could be done without jeopardizing their internal control in Manchuria or China proper. The Chinese Communist Forces are therefore believed capable either of: (a) halting further UN advance northward by matching any foreseeable

UN build-up with piecemeal commitment of forces presently along the Yalu River; or (b) forcing UN withdrawal to defensive positions further south through a powerful assault.

11. Chinese Communist Motives for Intervention.

The Chinese Communist decision to commit troops in North Korea, entailing as it does the serious risk of widening the Korean conflict, would not have been taken by Communist China without Soviet sanction or possibly direction. It must therefore be assumed that both parties consider the anticipated benefits to justify the acceptance of the calculated risk of precipitating a general war in China which could eventually involve the Soviet Union. This calculated risk includes the possibility of a reaction on the part of the US directly to meet the broader issue with the USSR rather than to allow itself to become involved in an expensive and indecisive war with Communist China.

The immediate occasion for Communist Chinese armed assistance appears to have been the crossing of the 38th Parallel by US forces and the consequent swift collapse of North Korean resistance. Unless the Chinese had intervened, UN forces would soon have reached and secured the Yalu River line. The Korean People's Republic would have ceased to exist except as a government-in-exile and as a guerrilla movement. Confronted with this possibility, the Chinese Communists have apparently determined to prevent an early UN military victory in Korea and to keep a Communist regime in being on Korean soil.

It is significant that the Chinese Communists refrained from committing troops at two earlier critical phases of the Korean war, namely when the UN held no more than a precarious toehold in the Pusan perimeter and later when the UN landings were made at Inchon. The failure to act on those occasions appears to indicate that Peiping was unwilling to accept a serious risk of war, prior to the US crossing of the 38th Parallel. Since the crossing of the Parallel, Chinese Communist propaganda has increasingly identified the Peiping cause with the cause of the North Koreans.

The immediate objective of the Chinese Communist intervention in Korea appears to have been to halt the advance of UN forces. Chinese Communist military operations to date, including the nature of the forces employed, suggest an interim military operation with limited objectives. This view is strengthened by consideration of the limitations imposed on military operations by winter weather in this mountainous area.

In assisting the North Koreans, the Chinese Communists can derive several advantages for themselves, the Soviet Union, and world Communism. They are:

a. To avert the psychological and political consequences of a disastrous outcome of the Korean venture.

The prestige of the world Communist movement and, more particularly, the domestic and international political position of the Chinese Communist regime, are linked with the fate of the North Korean satellite. A complete UN victory in Korea would adversely affect the power of international Communism to attract and hold adherents. For the Chinese regime itself, the total elimination of a satellite state in Korea would mean a serious loss of political face in China and in the world at large, most notably in the Asiatic areas that have probably been selected by the Chinese Communists as their primary sphere of influence.

b. To keep UN forces away from the actual frontiers of China and the USSR.

The establishment of a Western-oriented and US-supported regime on the south bank of the Yalu River is probably viewed by Peiping as a threat to the security of the Communist regime in China. The USSR would likewise be sensitive to the advance of UN forces to the northeastern tip of Korea. The Chinese Communists apparently regard the US as a hostile power, determined to bring about their eventual overthrow.

c. To retain an area in Korea as a base of Communist military and guerrilla operations.

The terrain of North Korea adjacent to the Manchurian border is especially suitable for such a base.

d. To prolong indefinitely the containment of UN, especially US, forces in Korea.

Prolonged involvement of UN and US forces in Korea is favorable for Communist global strategy. The containment of these forces in Korea prevents their redeployment to Germany, or to other areas where they might be required to oppose Communist aggression.

e. To control the distribution of hydroelectric power generated in North Korea and retain other economic benefits.

Peiping has an immediate economic stake in the preservation of a friendly state south of the Yalu. The hydroelectric installations in North Korea, particularly the Suiho plant, are important sources of power for South Manchuria. The port of Antung in Manchuria is part of an economic entity that embraces the Korean city of Sinuiju across the river; trade in the area would be hampered severely if no arrangements existed for the operation of the Antung-Sinuiju port as a single unit. River traffic on the Yalu and the Tumen rivers is dependent upon workable agreements between political authorities in Manchuria and Korea.

f. To create the possibility of a favorable political solution in Korea, despite the military defeat of the North Koreans.

It is possible that the Chinese Communists and the USSR hope to establish a military situation that will make the UN willing to negotiate a settlement of the Korean conflict in preference to a long drawn-out and expensive campaign.

12. Possible Developments.

The Chinese Communists thus far retain full freedom of action with respect to Korea. They are free to adjust their actions in accordance with the development of the situation. Their current violent propaganda—centering as it has on (a) the “will of the Chinese people” (rather than the government) to supply “people’s volunteers” to aid the North Koreans and “defend China”; and (b) America’s “use of Japanese” and “aping of Japan” in its “aggression against China”—is excellently adapted for preserving maneuverability. It could mean equally: whipping up of public opinion that seems chilly toward any Korean

venture; a part of a general war of nerves; a real intention to organize an anti-UN military campaign on a “people’s volunteer” basis; or a psychological preparation of the Chinese people for hostilities with the US, if not a world war.

If the Chinese Communists were to succeed in destroying the effective strength of UN forces in northern Korea, the Chinese Communists would probably pursue that advantage as far as possible, bringing in reinforcements from Manchuria to exploit the opportunity.

If the military situation is stabilized, the Chinese Communists might well consider that, with advantageous terrain and the onset of winter, their forces now in Korea are adequate to prevent a military decision favorable to the UN, at least until spring. Such a military deadlock would contain UN forces in Korea and expose them to attrition. It would also permit the reconstitution of North Korean forces and facilitate the development of guerrilla operations behind the UN lines. In these circumstances, the possibility of a political solution as the most convenient means of bringing the situation in Korea to a conclusion would be increased.

A likely and logical development of the present situation is that the opposing sides will build up their combat power in successive increments to checkmate the other until forces of major magnitude are involved. At any point in this development the danger is present that the situation may get out of control and lead to a general war.

The Chinese Communists appreciate that in intervening in Korea they have incurred grave risks of retaliation and general war, but have accepted the risk. They would probably ignore a UN ultimatum requiring their withdrawal. If Chinese territory were to be attacked, they could and probably would enter Korea in full force, with the purpose of expelling UN forces altogether.

The fact that both the Chinese Communists and the USSR have accepted an increased risk of a general war indicates either that the Kremlin is ready to face a showdown with the West at an early date or that circumstances have forced them to accept that risk.

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NATIONAL INTELLIGENCE ESTIMATE

SOVIET CAPABILITIES
AND INTENTIONS



NIE-3

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NATIONAL INTELLIGENCE ESTIMATE

SOVIET CAPABILITIES AND INTENTIONS

NIE-3

The present estimate is an editorial adaptation of JIC 531/10 with certain modifications and additions to bring it up to date. The intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force participated in the preparation of this estimate and concur in it. This paper is based on information available on 11 November 1950.

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SOVIET CAPABILITIES AND INTENTIONS

THE PROBLEM

1. To estimate Soviet capabilities and intentions with particular reference to the date at

which the USSR might be prepared to engage in a general war.

CONCLUSIONS

2. The Soviet rulers are simultaneously motivated by Marxist-Leninist-Stalinist doctrine and by considerations related to the position of the Soviet Union as a world power. Their *ultimate objective* is to establish a Communist world controlled by themselves or their successors. However, their immediate concerns, all consistent with that objective, are:

a. To maintain the control of the Kremlin over the peoples of the Soviet Union.

b. To strengthen the economic and military position and defend the territory of the Soviet Union.

c. To consolidate control over the European and Asian satellites (including Communist China).

d. To make secure the strategic approaches to the Soviet Union, and to prevent the establishment, in Europe and Asia, of forces capable of threatening the Soviet position.

e. To eliminate US influence in Europe and Asia.

f. To establish Soviet domination over Europe and Asia.

g. To weaken and disintegrate the non-Soviet world generally, especially to undermine the power and influence of the US.

The Soviet Union will try to pursue these immediate objectives simultaneously. In case of conflict between one and another of these objectives, however, it may be expected that the Soviet rulers will attach greater importance to the first four listed, and in that order.

3. Inasmuch as the Soviet *ultimate objective* is immutable and dynamic, the Soviet Union will continue relentlessly its aggressive pressures on the non-Soviet world, particularly on

the power position of the Western nations. Consequently there is, and will continue to be, grave danger of war between the USSR and its satellites, on the one hand, and the US and its allies on the other.

4. The Soviet rulers could achieve and are achieving the first three of their immediate objectives (para. 2 a, b, and c) without risk of involvement in armed conflict with the United States.

5. Their remaining immediate objectives (para. 2 d, e, f, and g) are improbable of achievement without resort to armed force, although there are still factors in the situation which might well lead the Soviet rulers to suppose that, in favorable circumstances, they might eventually achieve these objectives without the use of Soviet forces.

6. In pressing to achieve these latter objectives the Soviet rulers will inevitably impinge upon vital interests of the Western Powers and thus incur the risk of involvement in a general war through Western reaction.

7. In the belief that their object cannot be fully attained without a general war with the Western Powers, the Soviet rulers may deliberately provoke such a war at the time when, in their opinion, the relative strength of the USSR is at its maximum. It is estimated that such a period will exist from now through 1954,¹ with the peak of Soviet

¹ 1954 is assumed to be the date by which North Atlantic Treaty forces in Europe will have been built up to such strength that they could withstand the initial shock of Soviet attack and by which the gap between the military strength of the Western Powers and that of the USSR will have begun to close.

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DISCUSSION

I. SOVIET OBJECTIVES

1. The Soviet rulers are simultaneously motivated by Marxist-Leninist-Stalinist doctrine and by considerations related to the position of the Soviet Union as a world power. Their *ultimate objective* is to establish a Communist world controlled by themselves or their successors. However, their immediate concerns, all consistent with that objective, are:

a. To maintain the control of the Kremlin over the peoples of the Soviet Union.

b. To strengthen the economic and military position and defend the territory of the Soviet Union.

c. To consolidate control over the European and Asian satellites (including Communist China).

d. To make secure the strategic approaches to the Soviet Union, and to prevent the establishment, in Europe and Asia, of forces capable of threatening the Soviet position.

e. To eliminate US influence in Europe and Asia.

f. To establish Soviet domination over Europe and Asia.

g. To weaken and disintegrate the non-Soviet world generally, especially to undermine the power and influence of the US.

The Soviet Union will try to pursue these immediate objectives simultaneously. In case of conflict between one and another of these objectives, however, it may be expected that the Soviet rulers will attach greater importance to the first four listed, and in that order.

II. FACTORS AFFECTING SOVIET CAPABILITIES AND INTENTIONS

Political.¹

2. There is nothing in Soviet ideology, or in the internal situation of the Soviet Union, which requires or precludes either deliberate resort to war or the achievement of any particular objective by any given date.

3. The Soviet rulers appear to believe that, provided the security of the Soviet Union can be assured, time will be on their side in the achievement of their long-term objective of world communization under Kremlin domination.

4. The Soviet rulers have shown, however, that they are more immediately concerned with the power position of the Soviet Union than with their long-term objective. In addition, they have made it clear that they will not rely solely on the operation of historical processes, but will actively and aggressively press for the realization of their aims, using

armed force, if necessary, even though serious risks may be involved.

5. A Soviet decision to risk general war by the use of armed force in any particular situation, and, even more, a deliberate resort to general war, would depend on:

a. The Soviet rulers' estimate of the importance of the particular situation in relation to their over-all security.

b. The prospects of accomplishing the objectives involved by other means.

c. Their estimate of their chances of improving their over-all power position in a general war.

Economic.²

6. The Soviet Union has already largely mobilized its industry for war. It now has, through manufacturing and stockpiling of war materiel and equipment, a great preponderance of military stocks, which enables it not only to maintain superior military

¹ See also Appendix A for a discussion of political alignments and morale factors in the event of war, Appendix B for a discussion of Soviet objectives and prospects in particular countries.

² Excludes consideration of Soviet capabilities in nuclear energy production capacities.

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States maintains this numerical superiority. When the Soviet rulers believe that they have produced a sufficient quantity of atomic bombs to be seriously crippling or decisive against the Western Powers, the danger of Soviet attack will be greatly increased. When the Soviets have attained this atomic capability, the US superiority in total numbers of atomic bombs will no longer be a deterrent to the Soviet decision for war, in the same relative degree as before. The extent of Soviet vulnerability to a retaliatory US attack will, however, affect Soviet calculation.

17. It is impossible to state when the Soviets may estimate they have reached this capability. This may occur at any time and the situation may become critical at any time within the next two years.

18. As regards other items of scientific development, it is considered that the Soviet rulers would probably be willing to assume the risk of a major war at any time after the end of 1950.

Ground Forces.

19. The military effectiveness of the Soviet Union is being steadily increased. At present the Soviet Army comprises about 175 line divisions and could rapidly mobilize about 145 more, and subsequently increase this number if required. By about 1954 indicated reorganization, training, and equipment programs will have been completed. By that date the Soviet rulers should be able to place reliance on the satellites to the extent that an increasing proportion can be expected to fight well against hereditary enemies. The Soviet Union possesses the advantage of a concentration of force on interior lines and potentially of exercising the initiative.

20. The state of readiness in the North Atlantic Treaty Organization countries is far below that of the Soviet Union. Reaction to the Korean conflict caused many of these nations to plan increases in national armed forces. Even by 1954, however, North Atlantic Treaty Organization countries cannot achieve parity with the Soviet Union in numbers of men under arms or in quantities of certain items of equipment.

21. Under the impetus of expected increased aid from the United States, coupled with an increase in appropriations at home, the forces which should be available to North Atlantic Treaty Organization countries for the mid-years commencing 1951 to 1954 are estimated to be 63, 72, 83, and 93 divisions respectively.

22. At present the Soviet Union possesses the capability of initiating hostilities in Western Europe without any additional warning and invading Western Europe with an initial force of about 25 divisions at present located in East Germany and Poland, and of rapidly building this force to about 75 to 90 divisions. In such event the North Atlantic Treaty Organization countries are not at present capable of preventing the overrunning of Western Europe, excluding the United Kingdom.

23. It is accepted that it will be found possible progressively to build up the North Atlantic Treaty Organization forces in Europe so that, by 1954, they will be capable of withstanding the initial shock of such a surprise attack.

24. In the Near and Middle East area, the planned improvements in the armies of Turkey, Greece and Iran are largely a matter of modernization rather than expansion. There is, therefore, little military advantage from the viewpoint of the Soviet Union in opening hostilities in this area in any particular year between now and 1954.

25. From purely an army viewpoint, if the Soviet rulers are willing to initiate, to provoke, or to accept the risk of a general war, it would be in their best interests to do so at some time between now and 1954, with the optimum date probably being about the middle of the period.

Air Forces.

26. The authorized military aircraft strength in operational units of the Soviet Air Forces is estimated to be 20,000 aircraft at the present time. While definite information is lacking, it is believed that the actual aircraft strength of the operational units may be ten to fifteen percent below the authorized strength. In addition to the aircraft in operational units it is estimated that there are some 20,000 combat aircraft in stored reserve. Besides the stored reserve, the combat units

36. The Soviet Merchant Fleet is capable of providing the lift for short range amphibious operations, and of sustaining the wartime economy of the Soviet Union, except, possibly, in the Far East.

Civil Defense.

37. The knowledge available indicates that neither the Soviet nor NATO blocs have yet taken effective measures of civil defense on a scale sufficient to cope with atomic attack.

III. COURSES OPEN TO THE SOVIET GOVERNMENT

General Review.

38. The basic problem here considered is to estimate the courses of action that may be followed by the Soviet rulers in pursuit of their objectives as stated in paragraph 1.

39. It must be recognized that a general war might occur as a result of some Soviet action undertaken without deliberate intention to precipitate a general war and even before the Soviet rulers considered themselves fully ready for it.

40. The Soviet rulers, while so far eschewing the direct use of their own military forces, have shown themselves willing to employ every available means short of this. Further aggression in the face of Western counter-measures will carry with it an increasing danger of general war. Short of abandonment by the West of its policy of resisting Communist aggression, the only circumstance that could remove that danger would be the abandonment by the Soviet Union of its policy of aggression.

41. On the basis of Soviet conduct and declarations of policy since 1945, there is no indication that the Soviet rulers will modify their policy of aggression. In fact, during the last year their actions have shown an apparently increasing disregard of possible Western reactions. In particular, the North Korean attack appears to mark a significant step forward in the Kremlin's strategy, since, even though the Soviet rulers may have originally discounted the risk of US reaction to the North Korean move, they have persisted in their course despite actual US reactions.

42. The Soviet rulers can be expected to continue their aggressive pressures on the power position of the Western countries. In their choice of time, place, and method they will

continue to follow a policy of expediency. They can be expected to continue to attempt to exploit every apparent soft spot, employing such weapons and tactics as seem best adapted to particular situations.

43. The Soviet rulers have shown that, while applying the rule of expediency in choosing among the possible courses of action, they will not necessarily reject such courses as carry the risk of armed conflict. Logically, they would prefer not to take action of this nature so long as they believed that they were attaining their immediate objectives without it. If, however, they came to the conclusion that they were failing to obtain these objectives by other means they would be willing to assume the risk of involving their own forces, dependent on their estimate of their chances of success both in attaining their immediate objectives and in coping with any resultant reaction by the Western Powers. Generally, the more closely they considered their objectives related to the security of the Soviet Union the more readily would they risk involving their own military forces.

44. In view of the above, an estimate of the danger and imminence of war can be based only on a review of the critical situations existing and impending, together with a calculation of Soviet aims and prospects in each case, the relative strength and state of over-all preparation of the powers involved, and the impact of likely Western counter-moves on Soviet planning.

45. In dealing with various critical situations existing and pending, Soviet rulers may attempt to achieve their objectives by either:

Course One—means short of deliberate resort to general war, or,

Course Two—deliberate resort to general war.

satellite forces in the case of Korea. Similar employment of non-Soviet forces could be attempted in the following areas, although the Kremlin would have to recognize that indirect aggression in any of them (except Tibet) would in varying degree carry risk of general war:

In Europe: Greece, Turkey, Yugoslavia, Western Germany, and Berlin.

In Asia: Tibet, Formosa, Hong Kong, Macao, Indochina, and Burma.

57. *Europe.* Military success would be unlikely in the cases of Turkey and Greece, and questionable in the case of Yugoslavia. In Western Germany it would also be unlikely in the present state of development of the *Polizei Bereitschaften*. The incorporation of Berlin is an essential step towards the Soviet aim to secure a unified Germany subservient to the Kremlin. An attack by the *Polizei Bereitschaften* at Soviet instigation upon the Western occupying forces in Berlin might well appear to Soviet rulers to have prospects of local success, although the Soviet rulers would have difficulty in disavowing responsibility for such an attack unless Soviet occupation troops had been previously withdrawn from the Berlin area.

58. *Asia.* Tibet can be occupied at any time without any risk of extension of hostilities. Military success in Formosa is problematical but success could be assured against Burma, Indochina and Hong Kong, and Macao. Domination of Burma and Indochina would outflank Siam and control the major sources of rice to Asiatic countries at present outside the Soviet orbit. Siam could not then avoid coming under Communist domination, and Malaya would thus be directly threatened. Hong Kong would be a lesser strategic prize and the difficulty of localizing the war would be greater than in the case of Burma and Indochina.

Course One c (Local aggression by Soviet armed forces).

59. The Soviet rulers may well consider that only against Finland and Yugoslavia could Soviet forces be used directly without grave danger of immediately precipitating general war, and would recognize that even in those

cases their use would bring general war appreciably nearer.

On Balance.

60. The Soviet rulers may have reason to estimate that they can achieve some of their objectives, particularly in South and Southeast Asia, through measures short of armed aggression across a frontier. However, the existing situation, apart from the possible effects of long-term considerations, gives them little reason to hope for achievement, through these means alone, of their major objectives, particularly those related to the rearmament of the West including utilization of West German and Japanese military potential. Nevertheless, it can be assumed that they will continue to exploit every opportunity for the employment of such means in order to retard Western defensive preparations and to weaken and divide the non-Soviet world.

61. A decision to employ indirect or direct military aggression on a local scale will probably depend on developing circumstances, particularly on the progress of Western defensive measures. The Soviet rulers might accept serious risk of general war in order to prevent the actual development of hostile military power on the strategic approaches to the Soviet Union. They would be particularly concerned at the recreation of West German or Japanese military power. It must be emphasized that Soviet rulers may well regard the progressive development of the situation in Korea in the same light and may take local action accordingly.

Course Two (Deliberate Resort to General War).

62. The Soviet rulers might, under certain circumstances, consider that it was to their advantage deliberately to engage in war with the Western Powers. However, it is estimated that they would be unlikely to take this step deliberately unless they were convinced that their most important objectives were plainly jeopardized. In addition, they would have to be confident, either:

(a) of speedy neutralization of US offensive power; or,

(b) of their ability to establish a degree of control over the Eurasian land mass, including the neutralization of the United King-

APPENDIX A

POLITICAL ALIGNMENT

Soviet Bloc.

1. The following countries are likely to remain in alignment with the Soviet Union:

a. In Europe: Poland, Eastern Germany, Czechoslovakia, Hungary, Rumania, Bulgaria, and probably Albania. (There is a possibility that Albania may cease to be a Soviet satellite in the course of the next few years, provided Yugoslavia remains outside the Soviet bloc.)

b. In Asia: Communist China and Outer Mongolia.

2. In the event of a major war in Europe the European satellites may be expected to be belligerents.

3. In the event of a war between the Soviet Union and the Western Powers, Communist China is not likely to deny to the Soviet Union any facilities or resources, and is likely to pursue an opportunist policy of expansion. The Sino-Soviet Treaty of 1950 requires each party to render assistance to the other in the event of attack by Japan "or any other state which should unite with Japan directly or indirectly in acts of aggression." Communist China is unlikely to forfeit the advantages of this alliance in present circumstances.

4. The political alignment of Korea will depend on the outcome of the present United Nations action there.

Anti-Soviet Bloc.

5. In the event of any war between the Soviet Union on the one hand and the United Kingdom and the United States on the other, it is considered that the following countries (together with their overseas possessions) will be in alignment against the Soviet Union from the outbreak of the war:

United States, United Kingdom, Canada, Australia, New Zealand, South Africa, and Ceylon.

6. The following countries (with their overseas possessions) would probably also be

aligned against the Soviet Union, but not necessarily unless the provisions of the North Atlantic Treaty were involved:

France, the Benelux countries, Italy, Norway, Denmark, Iceland, and Portugal.

Those countries not participating as belligerents would be at least benevolently neutral.

7. India and Pakistan. India and Pakistan may well decide to maintain non-belligerent status unless directly attacked, though their attitude would be sympathetic to the Western Powers.

8. Treaty commitments (all subject to the provisions of the United Nations Charter) also exist between the United Kingdom and Turkey, Egypt, Jordan, and Iraq.

a. Turkey. Under the Treaty of Mutual Assistance of 1939 (which expires in October 1954) the United Kingdom and France are obliged to go to the assistance of Turkey, if Turkey is attacked, but Turkey is not obliged to assist her allies in a war against the Soviet Union. Though the Turks are likely to fight rather than submit to any major Soviet demands, they would not otherwise necessarily join the Western Powers in war.

b. Egypt. The Anglo-Egyptian Treaty of 1936 (which expires in 1956) permits the United Kingdom to station limited land and air forces in the Suez Canal Zone. On present indications, the Egyptian Government, in the event of a war with the Soviet Union, although probably favoring the Allied cause, would not consent to the use of Egyptian armed forces except possibly in defense of Egyptian territory. This would not, however, affect Western use of bases in Egypt.

c. Iraq and Jordan. Under the United Kingdom treaties with Jordan and Iraq, the parties agree to offer one another mutual assistance. In the case of Iraq, assistance to the United Kingdom is limited to the provision of facilities in Iraq territory.

21. Although the Soviet rulers have to reckon with a degree of disloyalty (which might be increased in war) among the minorities in the Baltic States, the Ukraine, the Caucasus, and Central Asia, rebellion on the part of these ethnic groups could not be expected unless Soviet police control had collapsed or Western support and protection were at hand.

The European Satellites.

22. The majority of the populations in the satellite countries are intensely nationalistic, and large proportions resent the domination of the Kremlin and the present Communist Governments with which they are burdened. Although this attitude is a source of potential weakness to the Soviet bloc, there is no present evidence to indicate that it would give rise to further successful nationalist deviations on Titoist lines, nor would it produce effective resistance to the Soviet war effort unless the war were going badly for the Soviet Union and the disaffected elements were given guidance and support from the West.

China.

23. In the event of major hostilities the Chinese Peoples' Government could maintain effective control over the general population in Manchuria, in North, Central, and East China, and in most of the large cities, through the existing political and police apparatus. In South and Southwest China, where the Communist apparatus is not yet fully developed and where some 400,000 guerrillas still remain in active opposition, the effective authority of the Chinese Peoples' Government would probably be limited to the principal cities and lines of communications and to the frontiers with Indochina and Burma, leaving millions of Chinese beyond its control. This situation, however, would not endanger the regime unless an organized, politically coherent opposition movement, with outside support, were to develop within the country. There is no present indication of such a development.

The Western World.

24. The chief elements of weakness in Western European morale are a general feeling of the inability to resist armed attack by the Soviet Union (combined with an unwillingness to be-

come involved in another war) and the lack of unity of purpose on the part of the Western Allies. These weaknesses are enhanced by the intellectual and emotional appeals of theoretical Communism; the social and industrial unrest which Communism exploits; and by a general failure on the part of the rank and file of the Western Nations to appreciate the real conditions of life under a Communist dictatorship.

25. In Western Europe, the internal Communist threat is not serious except in France and Italy where the Communist parties have a considerable hold on the labor organizations, and, in Italy, also among the poorer peasants. The position of other Western European countries will be materially affected by that of France. In France, although the majority of Frenchmen are anti-Communist, there is a widespread feeling of defeatism. There is, under present circumstances, a considerable unwillingness to resist if war breaks out, or to risk being compromised in the eyes of the Communists under a Soviet occupation which is becoming accepted as inevitable. If Frenchmen, however, can be given real confidence in their ability, with the support of their allies, to withstand a Soviet invasion, this defeatism is likely to be dispelled. Defeatism has not gone so far as to affect the attitude of the French Government toward her allies. The Soviet Union is aware of a general situation and appears in its propaganda to the West to devote more attention to exploiting the desire for peace and attracting those elements of the population most susceptible to peace appeals than directly to expanding the Communist parties in these countries.

26. In Western Germany there is general opposition to Communism and the Communist Party is unlikely to constitute a serious internal threat. Nevertheless, German morale is at present low and will deteriorate still further unless Western Germans can be given confidence that either they themselves, or the Western Powers, will be enabled to defend Western Germany from attack.

27. In the Middle East, although Communism is generally feared and disliked, the social structure is such that there is fertile ground

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APPENDIX B

COURSES OPEN TO SOVIET UNION

1. In the following discussion, possible Soviet actions under Course One (Means Short of Deliberate Resort to General War) are examined.

Northern Europe (Finland, Sweden, Norway, and Denmark).

2. The immediate Soviet aim in Northern Europe is to prevent the occupation and use of that area as a base of operations against the Soviet Union. If the Soviet rulers considered that a serious threat were developing they would accept a risk of global war if necessary to prevent such a development. The ultimate desideratum would be control of the entire area, thus acquiring not only its facilities and resources, but also complete control of the Baltic and free access to the North Atlantic.

3. With the exception of Finland, Soviet subversive capabilities in Northern Europe are extremely limited. Even in Finland the government appears capable of keeping internal pressure under control. The only effective means available for accomplishing either of the aims indicated above is the overwhelming local preponderance of Soviet military power.

4. The coercive threat inherent in the proximity of overwhelming Soviet power appears sufficient, in large part, to accomplish the immediate Soviet aim. It imposes on Finland a necessity to cooperate with the Soviet Union (so long as Soviet demands do not require national suicide) and is a main consideration causing Sweden to adhere to a fixed policy of neutrality. Although Norway and Denmark have adhered to the North Atlantic Treaty, they would be disinclined to permit developments in their territories which the Soviet Union could regard as an offensive threat.

5. Conversely, the local employment of Soviet armed force for the subjugation of Northern

Europe is inhibited by regard for the broader consequences. Outright Soviet invasion of Finland would be resisted by the Finns to the best of their ability. This action, also, might well frustrate the immediate Soviet purpose in Northern Europe by driving Sweden into adherence to the North Atlantic Treaty and by stimulating offensive-defensive preparations in Norway, Denmark, and Sweden. An attack on Sweden would be resisted and would also stimulate the preparations in Norway and Denmark and would involve risk of a general war. An attack on Norway or Denmark would directly involve war with all the North Atlantic Treaty States.

6. The Soviet rulers will continue to maneuver toward the subversion of Finland by local Communists supported by the immanent power of the Soviet Union, but are unlikely to resort to local military action in Northern Europe unless convinced that such action is necessary to prevent the occupation and the use of the area as a base for operations against the Soviet Union or that global war is imminent.

Western Europe (France, Benelux, Italy, Portugal).

7. Immediate Soviet aims in Western Europe are:

a. To prevent the countries of Western Europe from becoming organized into a force capable of presenting effective military opposition to the Soviet Union, either as a bulwark or threat.

b. To destroy or impair Western European confidence in, and association with the United States and United Kingdom.

c. To foster conditions favorable to the growth of communist strength.

8. Short of deliberate resort to general war, the only means at the disposal of the Soviet Union for the pursuit of its aims in Western

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use of East German military forces to establish control over Western Germany. While the *Polizei Bereitschaften* is at present considered inadequate to undertake a conquest assignment, there is evidence that it is being steadily strengthened. In the near future the Kremlin may consider this force sufficiently strong to be used to attack the Western zones, and the possibility of such an attack cannot therefore be excluded. The Soviet rulers would have to recognize, however, that this would involve great risk of general war.

Berlin

13. Apart from the aim of securing control of all Germany, an immediate Soviet objective is to secure the withdrawal of Western forces from Berlin. The importance of this to the Kremlin lies not only in the impetus that full possession of Berlin would be expected to give to efforts of the East German government to extend its rule over all Germany, but also in the exaggerated sensitiveness of the Soviet rulers to the presence of hostile forces in the heart of a Soviet province.

14. Without the use of forceful measures, however, there appears little possibility that the Western position in Berlin can be made untenable. Restitution of a full-scale blockade would under present circumstances be very embarrassing to Western authorities, but it appears doubtful that a second blockade would be risked unless the Kremlin were prepared to maintain it by force if necessary. The use of East German forces for this purpose or for direct attack on the Western Sectors of Berlin is a distinct possibility. The same great risk of general war would be involved here as in the case of West Germany.

15. For both Berlin and Western Germany, the Soviet rulers must realize that the employment of their own forces in any sort of attack on the Western Forces of Occupation would not be possible without precipitating a general conflict.

Austria

16. The Kremlin's policy with respect to Austria appears to be to continue the status quo until such time as the German problem is settled. It now appears highly unlikely

that the Kremlin will agree to a peace treaty and a withdrawal of occupying forces. On the other hand, there are no indications that increased efforts are to be made to extend Soviet control over the whole of Austria immediately, or independently of German developments. If the German situation should develop favorably for the Soviet rulers, increasing external and internal pressures on Austria could be expected.

Yugoslavia

17. The defection of Yugoslavia from the Cominform, besides isolating Albania, deprived the Soviet Union of an important strategic position in Southeast Europe, giving direct access to the Mediterranean, and of an important base for exerting pressure on Italy, Greece, Trieste and Western Austria. Moreover, the Soviet rulers must realize that the continued existence of the Tito heresy makes it easier for dissident elements in the communist parties of other countries to question the Kremlin's leadership.

18. The Soviet aim must therefore be to bring about as soon as possible the fall of Tito. The Cominform will continue to try to promote economic collapse and to create a powerful pro-Cominform communist movement within the country.

19. Soviet policy in Yugoslavia might meet with greater success if the economic situation deteriorated far enough to lead to general discontent, but at present there is no sign that any alternative communist organization can be built up in sufficient strength to evict Tito and install a pro-Cominform government. The only means open to the Kremlin under present circumstances is the use of external force. If the Kremlin considers that satellite forces, with such Soviet material assistance as might be required, could overrun Yugoslavia, this possibility must be reckoned with, particularly as such an attack would not necessarily involve a direct clash with the Western Powers. However, the Soviet rulers are unlikely to consider that the satellite forces are powerful enough at present to overrun Yugoslavia without direct Soviet intervention. Consideration of the military factors shows that the military strength of

parties; nurture a Communist sabotage potential, particularly in oil field and pipeline areas; instill fear of Soviet armed strength; exploit anti-Israel feeling; extend the influence of the Soviet Union through the Orthodox Church; and exploit dissident minorities such as Armenians and Kurds.

28. Soviet policy toward Israel has appeared to be more directed toward embarrassing the United States and the United Kingdom in the Middle East and promoting political chaos than toward any immediate aggressive intention in Israel proper. The Soviet rulers undoubtedly will attempt to orient Israel away from the Western Powers, in particular the United States. However, for the present they will limit their efforts to propaganda and the strengthening of Communist influence in Israel.

29. In neither Israel nor the Arab States can the Soviet rulers expect the above tactics to establish Communist control, although they may succeed in influencing political attitudes. At present they probably do not consider the time is yet propitious to bring to bear any other type of pressures.

Iran

30. The primary concern of the Soviet Union with respect to Iran is to prevent the development in that country of a potential base of operations against the Soviet Union, with particular reference to the vulnerability of the vital Baku oil region. The Soviet Union's sensitivity on that point is reflected in its continued emphasis on the Soviet-Iranian Treaty of 1921, which contemplates the entry of Soviet forces in Iran if necessary to forestall a threat to Soviet security by a third power from Iranian territory. An additional interest would be the advantage to be derived from Soviet control of Iranian oil resources with particular reference to their denial to Western use. The bulk of this oil would not be immediately available for use within the Soviet Union unless its transportation by sea were feasible. Soviet domination of Iran would also permit direct access to the Indian Ocean and the Arab States, with a consequent increase in the ability of the Soviet Union to undermine Western interests in those areas.

31. Iran's proximity to the Soviet Union, its remoteness from potential support, and the political and economic conditions prevailing within the country all facilitate Soviet intimidation and subversion. The principal factor is the immediate presence of overwhelming Soviet military power. Subversive potentialities exist, locally, in Azerbaijan and Kurdish disaffection, and, nationally, in the Soviet-dominated Tudeh Party. Soviet employment of these means has met with successive checks: Soviet withdrawal from northern Iran under United Nations pressure, with the implication of United Nations support against any future Soviet incursion; the Azerbaijan debacle; the outlawing of the Tudeh Party; and the emergence of the strong Razmara Government, which if given prompt economic and military aid, may succeed in stabilizing the internal situation. Nevertheless, dangerous subversive potentialities will remain, particularly if there should be a further deterioration of the economic situation.

32. A Soviet decision to solve the problem by direct military intervention is not prevented by any local power of resistance; furthermore, a plausible political justification for direct interference in Iran could probably be engineered without much difficulty but the Soviets would have to reckon with longstanding UK and recently expressed US interest in Iran, the previous UN action, and the Korean precedent. It could be conceived as a local operation only on the calculation that it could be accomplished before any reaction could occur and that the United States, the United Kingdom and the United Nations would shrink from any dangerous counteraction after the fait accompli.

33. The threat of Soviet intervention under the 1921 Treaty is probably sufficient to prevent Iranian consent to the development of any real threat to Soviet security in Iran; furthermore, it might induce Iranian opposition to a defensive build-up of Western forces in Iran. That being the case, the Soviet Union, for the time being, will probably subject the Iranian Government to alternate intimidation and blandishment, while simultaneously exploiting every subversive opportunity with the

Indian Government has reacted strongly to Communist violence, but is disposed to tolerate nonviolent agitation and propaganda. Its efforts to control Communist activity have met with some success in industrial centers, but less in rural areas. Parts of Hyderabad, for example, are to all practical purposes under exclusive Communist control. In general, however, the previous Communist program has fallen short of expectations and the Party has been weakened by arrests, purges, and internal dissension. The Party is now following a new policy modeled on that of the Chinese Communist Party.

44. The Soviet Union will presumably continue to exploit Indian susceptibilities as best it may in the international field, while seeking to guide and promote Communist control in India as a long-term project.

Tibet

45. It is the announced intention of the Chinese Communist regime to "liberate" Tibet, and military operations to this end are already reportedly under way. The issue may, however, be decided by direct negotiations, with only token use of military force. Any hostilities that might be undertaken would certainly be localized.

Burma

46. In Burma the general Soviet object is the spread of internal violence to prevent the establishment of a viable non-Communist Government, with a view eventually to securing Communist domination of the country.

47. The principal instruments of Communism are the threat of direct or indirect Chinese Communist intervention in support of the present activities of the Burma Communist Party.

48. In general, while Burma is one of the most disturbed of the Southeast Asian countries, it is not so favorable a field for Communist activity as some of its neighbors. There is no nationalist problem; nor is there a large Chinese minority. On the other hand, there is a certain amount of agrarian discontent, and this will leave the situation precarious unless the Government's plans for agrarian reform are successful.

49. Recently, the Burma Communist Party suffered a severe military and political set-

back, and as a result, it is unlikely that without substantial aid from China, it could endanger the stability of the legitimate Government, even though the latter is faced with many other resistance groups throughout the country.

50. With Chinese Communist assistance in the form of materiel and leadership (a likely eventuality), the strength of the Burmese Communist Party would be greatly increased, but against this must be placed the innate antagonism between Chinese and Burmese. This antagonism might result in the loss to the Communists of left-wing Socialist support, including the support of the trade union movement, which has been cooperating with the World Federation of Trade Unions. The stakes in Burma are probably not great enough to justify direct Chinese invasion. On balance, the prospects of Communist success in Burma probably seem sufficiently good to lead the Kremlin and Chinese People's Government not to go beyond their present policy there. Communist prospects in Burma would be materially improved by the establishment of Communist control over all of Indochina.

Siam

51. In Siam there is no agrarian discontent and little popular sympathy for Communism. The overseas Chinese community is the only considerable element subject to Communist exploitation. The situation in Siam, however, will be decisively influenced by developments in Indochina and Burma. If either of those countries were brought under Communist control, Siam would probably seek to accommodate itself to the new situation.

Malaya

52. Both the Chinese People's Government and the Kremlin will wish to see the removal of UK influence and the substitution of Communist Party control in Malaya. The Malayan Communist Party is a small minority group which nevertheless enjoys sufficient support from the local Chinese to prolong military operations. Although the Soviets and Chinese Communists will aim at securing widespread popular support, it is difficult to see how this policy can succeed in view of the

can maintain a disturbed internal situation in the Philippines, but are not capable of seizing control of that country in present circumstances. Chinese Communist or Soviet armed intervention on their behalf will not be feasible, short of conditions of global warfare.

Formosa

61. The Chinese Communists for their own purposes wish to recover Formosa and the denial of the island as a Western base must be the Soviet aim. Although the Chinese Communists have sufficient shipping to lift the troops, the invasion is bound to be hazardous owing to US air and sea patrols, and, at present, without Soviet naval and air assistance, the operation would be unlikely to succeed. Nevertheless, the intention to take Formosa eventually cannot be considered to have been abandoned.

Korea

62. The Soviet aim is to dominate Korea. The Soviet rulers probably consider control of the peninsula necessary to safeguard their Pacific provinces and their interests in Manchuria. At the same time they probably estimate that it is necessary if they are to succeed in their plan to neutralize and ultimately to gain control of Japan.

63. To date there is insufficient evidence to indicate that the USSR intends to commit Soviet forces overtly in Korea. However, the commitment of Chinese Communist forces, with Soviet material aid, indicates that the USSR considers the Korean situation of sufficient importance to warrant the risk of general war. The probability is that the Soviet Union considers that the US will not launch a general war over Chinese Communist intervention in North Korea and the reaction thereto. The principal risk of general war is through the exercise of Soviet initiative which the Kremlin continues to hold. The probability is that the Soviet leaders have not yet made a decision directly to launch a general war over the Korean-Chinese situation. There

is a good chance that they will not in the immediate future take such a decision. At what point they *will* take a decision to launch a general war is not now determinable by Intelligence.

Japan

64. The immediate objective of the Soviet rulers in Japan will be to weaken the position of the US authorities there with a view to preventing its use as a base or as an area for the development of an effective indigenous military force. On a longer view, and more positively, the Soviet rulers must see that the islands would, under Soviet control, contribute materially to strategic, economic and political domination of the Far East.

65. The instruments at present available to the Soviet rulers are the Japanese Communist Party, elements of the Japanese Trade Unions, the peace campaign, and subversive tactics (including the possible formation of a government in exile). There appears no possibility that the Kremlin can hope to achieve its aims even by any combination of these factors. Without taking into account occupation forces, the Japanese Government, which is staunchly anti-Communist, is sufficiently strong to cope with any internal disorders that the Communists appear capable of mounting. Moreover, the Japanese population is generally both anti-Communist and anti-Soviet and subversive movements would receive little popular support.

66. There are accordingly no other methods open to the Soviet rulers save invasion of Japan.

67. If at any time the Soviet rulers decided that it was necessary to go beyond their present tactics, it is unlikely that they could do much in the way of securing a foothold in Japan save by direct attack by their own forces (with or without Chinese Communist assistance). They would presumably recognize that this would entail inevitable consequence of a general conflict.

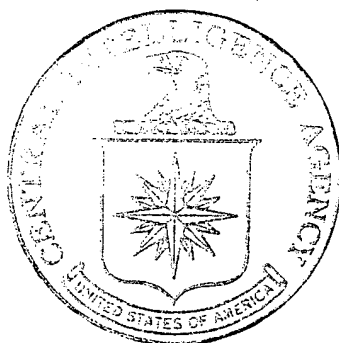
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REVIEW OF THE WORLD SITUATION



CIA 11-50

Published 15 November 1950

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

SUMMARY

1. As a result of the intervention of Chinese Communist troops in Korea, the UN tactical position there has deteriorated sharply, and the USSR has regained the initiative in its continuing world-wide power-contest with the US and its allies. The intervention demonstrates that the USSR is willing to pursue the experiment in war-by-proxy despite a considerable risk of vastly enlarging the area of armed conflict. Neither the beginning of the accelerated North Atlantic Treaty rearmament program nor the new vigor shown by the UN has caused the USSR to change either its strategic objectives or its aggressive tactics. Soviet policy continues to aim at the development and exploitation of local weaknesses on the periphery of the non-Communist world.

2. Despite the grave risk that intervention in Korea would lead to retaliation and possibly global war, both China and the USSR stood to gain certain immediate advantages from it: averting the immediate psychological and political consequences of the North Korean defeat; keeping UN forces away from the actual frontiers of China and the USSR; prolonging the commitment of UN forces in Korea; and keeping open the possibility of a political settlement. By not formally announcing the objectives of their intervention, the Chinese Communists have retained full freedom of action, and, depending upon US and UN reaction, can tailor the precise nature and extent of their intervention to developments.

3. The introduction of Chinese Communist forces into Korea has confronted the UN with

a more serious challenge than that presented by the initial invasion of South Korea. Nevertheless, there are definite signs that the international organization has become a more effective device for curbing aggression than at any time in its history. Although the Chinese Communists may limit their intervention to still-to-be-defined local objectives, the grave probability exists that a strong UN military reaction against Chinese territory would encourage the Chinese Communists to attempt a large-scale offensive designed to secure Korea.

4. The situation in Indochina remains one which the Communists can exploit without serious fear of early and effective UN counter-action. Both the military and political situations have deteriorated to a critical state, but so long as the present political context of the war in Indochina continues, it is extremely doubtful that the UN could agree on a basis for initiating effective military action against Ho Chi Minh. Containment of Ho's forces presently depends almost exclusively on US aid, and even with such help (short of direct ground, air, and naval support) the French probably cannot hold northern Indochina for more than six months, nor all of Indochina for more than eighteen months.

5. The Chinese Communist invasion of Tibet has aroused considerable anger and resentment within the Indian Government. Although a basic change in India's international outlook is not yet apparent, considerable pressure is undoubtedly being placed on Nehru to have him abandon his moral support of Communist China. As the threat of Chinese-dominated Communism in Southeast

Note: This review has not been coordinated with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force. The review contains information available to CIA as of 10 November 1950.

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Asia increases, prospects for such abandonment will improve, together with the consequent possibilities of Indian cooperation in curbing Communist expansion.

6. French intransigence is not only preventing positive international action in Indochina, but is delaying the developing defense program for Western Europe, where the consequences—though less immediate—are potentially graver than those in Indochina. Although French opposition to German participation appears to be weakening, the fact remains that unless the NATO countries arrive at an adequate solution of the defense problem, Western European skepticism as to the

efficacy of the West will be so intensified as to render the entire program a dubious enterprise.

7. The recent Soviet overtures toward German unification were designed, in part at least, to deter the West Germans from supporting German remilitarization. Although it is conceivable that the USSR may be willing to forego the advantages of its control over East Germany in order to try to neutralize Germany through unification, it is more likely that these Soviet overtures are merely a gambit which the USSR might develop seriously only if the Western rearmament program shows signs of real implementation.

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

1. Current Patterns of Soviet Strategy.

As a result of the intervention of Chinese Communist troops in Korea, the UN tactical position there has deteriorated sharply, and the USSR has regained the initiative in its continuing world-wide power-contest with the US and its allies. The intervention demonstrates that the USSR is willing to pursue the experiment in war-by-proxy despite a considerable risk of vastly enlarging the area of armed conflict. Chinese-Soviet propaganda and the course of action undertaken by the two powers suggest that Communist leaders believe the Western Powers are unprepared either politically or militarily to initiate hostilities against the USSR, and that they will avoid war with China so long as neither the USSR nor Communist China is technically and officially in the Korean war. As a form of insurance, however, the USSR has simultaneously developed its "peace offensive" in the UN and in other diplomatic contexts, thereby laying the foundation for temporary withdrawal through a limited political accommodation, if and when such a move should prove expedient. In the meantime, Soviet policy continues to aim at the exploitation of local weaknesses on the periphery of the non-Communist world without the direct use of Soviet military power.

In addition to halting the advance of UN forces in Korea, the Chinese Communists have moved to take over Tibet and are both training and supplying the Communist-led guerrillas who are gravely threatening French control of northern Indochina. The USSR is engaged in long-range penetration programs in many areas, particularly Germany, Yugoslavia, Greece, Iran, Burma, Malaya, and the Philippines, where local military action can be precipitated when conditions permit. Neither the beginning of the accelerated North Atlantic Treaty rearmament program nor the

new vigor and determination shown by the UN in recent months has caused the USSR to change either its strategic objectives or its aggressive tactics. Prolongation of the fighting in Korea as a result of Chinese Communist intervention is a crucial step in securing the immediate Soviet aims of: (a) consolidating control over the Satellites, including Communist China; (b) securing the strategic approaches to the USSR; and (c) preventing the establishment on the Soviet periphery of forces capable of threatening the Soviet military position.

2. Chinese Communist Intervention in Korea.

In addition to considerations of general strategy, the USSR and its Chinese allies were faced during the past month with the need to take immediate action to offset or minimize the effects of the defeat of the North Korean forces and of the rapid UN advance toward the Manchurian and Siberian borders. In deciding upon intervention of Chinese Communist forces to restore the military situation and to avert the political and strategic consequences of the threatened disaster, both the USSR and China accepted a greater risk of direct war with the US than was implicit in any earlier adventures. Because the USSR is in an advanced state of war-readiness, it must be assumed that the Kremlin leaders, aware of the danger of direct UN or US retaliation against China or the USSR, were prepared to accept any challenge given.

Both the USSR and China stood to gain certain immediate advantages from intervention, which would serve to: (a) avert the immediate psychological and political consequences for the world Communist movement of the military defeat of the North Korean forces; (b) keep UN forces away from the actual frontiers of China and the USSR; (c) provide an area in Korea from which military and guerrilla operations could be mounted;

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(d) prolong the commitment of UN forces in Korea, thus sapping both Western strength and morale and discouraging the redeployment of UN forces to Indochina, Germany, or elsewhere; and (e) keep open the possibility of a political settlement in Korea. The Chinese themselves, having assumed greater risks than did the USSR, probably hoped for some compensating advantages such as greater prestige in both the Communist and non-Communist worlds, protection to the Suiho electric power installations, and the strategic advantage of eliminating any threat of US-Chinese Nationalist military action against China from Korean bases.

By not formally announcing the objectives of their intervention, the Chinese Communists have retained full freedom of action with respect to Korea, and, depending upon UN and US reaction, can tailor the precise nature and extent of their intervention to developments.

3. A New Challenge to a Stronger UN.

By introducing Chinese Communist forces into Korea, the USSR and its allies have confronted the UN with a more serious challenge than that presented by the initial invasion of South Korea. That challenge, if accepted, will expose the Western Powers in the UN—as well as the USSR—to a grave threat of global war. Some members of the UN will be much less inclined to take a strong position against China than they were on the more limited and much better defined issue of Communist aggression against South Korea. India, for example, advised strongly against the UN movement north of the 38th Parallel even before the Chinese Communists had intervened.

Although the problem of Chinese intervention has placed a new strain on the UN, there are certain very definite signs that the international organization has become a more effective device for curbing aggression than at any time in its history. The General Assembly has taken forthright action regarding Korea and has even taken steps to prevent paralysis of UN machinery in the event of a Korean-type venture elsewhere. The UN, increasingly impatient with Soviet intransigence, has reached the point where emphasis

has shifted from seeking to win the cooperation of the USSR to determination to act effectively despite Soviet obstructionism. This new UN determination will undoubtedly cause the USSR, in preparing new aggressive moves, to give more careful consideration to the possibility of UN intervention.

Nevertheless, the Korean intervention poses a most serious problem for the UN. The boldness of the Chinese Communists and the magnitude of their military capabilities suggest that a strong military reaction by the UN, including air bombardment of Chinese supply centers, probably would encourage—rather than discourage—the Chinese Communists from attempting a large-scale offensive designed to drive the UN forces off the Korean peninsula. Nevertheless, the UN may also by means short of military action against China persuade the Chinese Communists to refrain from such an offensive and limit their intervention to still-to-be-defined local objectives.

It is doubtful that a UN condemnation of Chinese action would either drive the USSR out of the UN or divert the Chinese Peoples Republic from its ambition to join the UN. On the contrary, the USSR shows every intention of remaining and of doing all in its power to prevent further strengthening of the UN and further consolidation among the non-Stalinist nations.

Although the growing unity within the UN may induce the USSR in the future to be more astute in applying the technique of local aggression, the local situations in Indochina and in other vulnerable areas contain elements which the USSR can probably exploit while still avoiding effective UN counteraction.

4. Crisis in Indochina.

In northern Indochina the forces of Ho Chi Minh have begun a limited offensive in the Chinese border regions with the apparent objective of opening supply lines to China. Improvement of transport facilities on the Chinese side of the border foreshadows an early improvement in Ho's logistical position and a subsequent offensive (probably within six months) against the French forces now

deployed in the populous Red River Delta area around the northern capital of Hanoi.

The deteriorating French military position has aggravated the political crisis in Indochina. The Vietnamese Premier, who heretofore has acquiesced to French policy, has apparently expressed the views of even the moderate Vietnamese in publicly denouncing the French position in current French-Vietnamese political negotiations.

If the Indochina problem were to be taken to the UN in the present political context, constructive and helpful action by the UN would be extremely difficult. So long as the Chinese Communists have not given convincing evidence of overt intervention, so long as the external appearance is one of European colonial power fighting revolutionary native elements, and so long as the anti-Communist native government is at odds with the French, it is extremely doubtful that the UN could agree on a basis for initiating effective military action against Ho Chi Minh. Until the civil as well as the military problem of Indochina is submitted to the UN, and Indochina becomes, like Korea, virtually a trust territory, it is improbable that the UN can take effective action.

Although some Frenchmen now favor throwing the entire Indochinese problem into the UN, it is unlikely that, in the absence of intense pressure from other Western Powers and further deterioration of the French position, the French Assembly would accept such a solution. The containment of the Ho Chi Minh forces at this juncture depends, therefore, almost exclusively on unilateral US action. Given a continuation of the present political situation in Indochina, even with US aid (short of direct ground, air, and naval support), it is doubtful that the French can hold northern Indochina for more than six months, nor all of Indochina for more than eighteen months. The mounting threat of deeper US involvement in Korea, however, may well force both the French and the UN to seek an early political solution. One recent development which may contribute toward the solution of the Indochina problem is the disillusionment in India with the aims and policies of China.

5. Deterioration of Indian-Chinese Communist Relations.

Concurrent with their operations in North Korea, Chinese Communist forces in southwest China have apparently begun a westward movement toward the Tibetan capital. This well-advertised advance makes it clear that the Peiping government is determined to extend its control over the province, with or without a negotiated settlement. In pursuing that objective, the Chinese Communists have not been, nor will be, deterred by Indian entreaties to refrain from a military settlement.

China's conduct regarding Tibet has aroused considerable anger and resentment within the Indian Government. Recent Chinese references to the Indian border principalities of Nepal and Sikkim, China's agitation among the tribes of northern Burma, and increasing Chinese support for the Ho Chi Minh cause in Indochina present a further potential challenge to Indian security interests and should produce further misgivings about the wisdom of retaining friendship toward Peiping as one of the central features of Indian foreign policy. Nevertheless, Nehru himself is still the prime mover in external affairs, and the underlying considerations involved in his China policy (the need to get along with India's most powerful neighbor, the belief in the Peiping regime as a legitimate expression of Asiatic nationalism, and the fear of global war) continue to exercise a powerful influence on Indian thinking. Although it is not yet clear that any basic change in India's international outlook will take place in the immediate future, considerable pressure is undoubtedly being placed on Nehru to abandon his moral support of Communist China. As the threat of Communist expansion into Southeast Asia with Chinese support and instigation is intensified, the pressure for abandonment of China will increase. It is already apparent that some Indian leaders are worried about Indochina and Burma, and positive assistance from India in curbing Chinese-dominated Communist expansion into those two countries must be recognized as a definite possibility.

6. Western European Defense Problems.

Not only has France's unwillingness to give up its prerogatives thus far prevented positive international action in Indochina, but French intransigence is delaying the developing defense program for Western Europe, where the consequences—though less immediate—are potentially graver than those in Indochina. In an attempt to preserve its life, the present French Government has attached conditions to German remilitarization which are largely unacceptable to the other NATO countries. However, French opposition appears to be weakening, and, if the NATO countries adhere to their position, it is almost certain that NATO can develop some satisfactory compromise formula which, in the face of isolation, the French would be obliged to accept. Indeed, unless the NATO countries arrive at an adequate solution of the defense problem, Western European skepticism as to the efficacy of the West would be so intensified as to render the whole defense program a dubious enterprise.

Present French intransigence over German rearmament also has adversely affected the ability of the Adenauer Government to secure parliamentary support for providing West German units to a European defense force. Already obliged to defend itself against Socialist and Protestant attack, the Adenauer Government not only would find it politically impossible to accept the present French conditions, but its ability to contribute forces to any European Army is being sapped by the continuing debate and uncertainty regarding the method. Nevertheless, given an early compromise solution permitting German entry on an equitable basis, the West Germans can be expected to contribute to a European force.

Underlying all the discussion of the Western defense problem is the fundamental question which has existed since the program was conceived: will the continental NATO countries be willing and able to bring about sufficient internal unity and to make sufficient economic sacrifices to contribute to the Western defense forces the necessary enthusiasm, equipment, and manpower to make that force an effective deterrent to Communist aggression? Complicating the entire program, at least on the continent, is the vicious circle

which has been set up: the rearmament and defense program cannot be carried out effectively unless the individual West European believes in it and supports it, yet the West European will not extend his full support unless it is demonstrated to him that the program will be effective.

7. A Soviet Counter-Thrust at Germany.

The dilemma of the West European citizen was posed directly by the USSR to the Germans when the Foreign Ministers of the Satellite countries under the guidance of Molotov issued a declaration in Prague calling for German unity and a peace treaty. The declaration in effect told the Germans that by supporting Western rearmament they might involve themselves in a war, but by staying out of the Western camp they would achieve the unification of Germany.

Whether the declaration and the subsequent formal Soviet demarche calling for a CFM meeting on Germany will succeed in exploiting German differences and thus deter the Adenauer Government cannot yet be determined, nor can it be stated definitely that this Soviet proposal was not intended as a serious overture to the West. It is conceivable that the USSR is genuinely frightened at the prospect of Western rearmament and at the new firmness of the non-Stalinist countries in dealing with Soviet expansion. The USSR may, therefore, be willing to forego the advantages of its control over East Germany (for example, unhampered further exploitation of the uranium deposits) and agree to German unification. If such is the Soviet intent, it is so only because the USSR hopes to neutralize Germany by adding East German Communist and Protestant strength to the already substantial anti-remilitarization sentiment in West Germany.

The probability is, however, that the Prague declaration is a gambit which can be further developed if the Western program shows signs of real implementation. Since the Soviets are well aware of the hazards which the Western program must surmount before an effective fighting force can be created, it is doubtful that the USSR at this stage has sponsored German unification with any immediate seriousness.

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NATIONAL INTELLIGENCE ESTIMATE

CHINESE COMMUNIST INTERVENTION IN KOREA



NIE-2/1

Published 24 November 1950

CENTRAL INTELLIGENCE AGENCY

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NATIONAL INTELLIGENCE ESTIMATE

CHINESE COMMUNIST INTERVENTION IN KOREA

NIE-2/1

The intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force participated in the preparation of this estimate and concur in it. This paper is based on information available on 21 November 1950.

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CHINESE COMMUNIST INTERVENTION IN KOREA

THE PROBLEM

1. To re-estimate the scale and purpose of Chinese Communist intervention in North Korea.

CONCLUSIONS

2. The Chinese Communists will simultaneously:

a. Maintain Chinese-North Korean holding operations in North Korea.

b. Maintain or increase their military strength in Manchuria.

c. Seek to obtain UN withdrawal from Korea by intimidation and diplomatic means.

3. In case of failure to obtain UN withdrawal by these means, there will be increasing Chinese intervention in Korea. At a minimum, the Chinese will conduct, on an increasing scale, unacknowledged operations designed to immobilize UN forces in Korea, to subject them to prolonged attrition, and to maintain the semblance of a North Korean state in being. Available evidence is not conclusive as to whether or not the Chinese Communists are as yet committed to a full-scale offensive effort. Eventually they may undertake oper-

ations designed to bring about the withdrawal of UN forces from Korea. It is estimated that they do not have the military capability of driving the UN forces from the peninsula, but that they do have the capability of forcing them to withdraw to defensive positions for prolonged and inconclusive operations, which, the Communists might calculate, would lead to eventual UN withdrawal from Korea.

4. So long as Chinese intervention continues, the USSR will continue and possibly increase its support to the Chinese by furnishing equipment, planes, technical advisers, and conceivably, "volunteers" as necessary to man the more intricate equipment.

5. The risk that a general war will develop already exists. The Soviet rulers may under-rate this possibility but they appear to have allowed for it and to feel prepared to cope with it.

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DISCUSSION

6. The immediate situation with regard to Chinese intervention in Korea is as follows:

a. The military activity of Chinese troops in Korea so far is not in itself sufficient to demonstrate the existence of a plan for major offensive operations.

b. Military preparations being carried out in Manchuria and elsewhere in China are on a scale sufficient to support major operations of prolonged duration, either offensively in Korea or defensively in Manchuria.

c. Prevailing opinion in China, including opinion in circles close to Party leadership, appears to reflect expectations of hostilities, including expectations of extensive air attacks on Chinese, particularly Manchurian cities.

d. Neither the Chinese Government nor Chinese propaganda has thus far committed the Chinese Government to a specific line of action in Korea. Discussion of preparation for support of Korea has been only in terms of "volunteer" action.

e. Chinese propagandists for the past three weeks have been carrying on an intensive campaign centering on the charge that US military action in Korea is an attack aimed at China and have called for all-out sacrifices to meet and defeat this threat through "support of the Korean people." A sub-theme of the campaign has been American impotence in a war with China.

f. There has been no suggestion in Chinese propaganda or official statements that the Chinese support of North Korea has a limited objective such as protecting power plants, establishing a buffer zone on the border, or forcing the UN forces back to the 38th Parallel. In fact, none of these objectives has been mentioned by the Chinese. All Chinese formulations have been in terms of the necessity

of bringing about a withdrawal of foreign forces from Korea.

g. The Chinese decision to send a delegation to the UN has been announced in such a manner as to give no conclusive indication of Chinese intentions with regard to Korea. The delegation has been reported to be willing to reach a diplomatic settlement on Korea so long as it is arranged outside the Security Council. No terms have been suggested, and there are as yet no indications that the Chinese would accept less than the withdrawal of foreign troops from Korea.

h. The Soviet press has reported with approval, Chinese support of North Korea. Soviet official statements and Soviet propaganda have identified the struggle of the North Koreans with the Communist cause generally. However, neither source indicated that the USSR is in any way committed to any specific line of action beyond moral support of North Korea and of China.

7. While there is no reliable intelligence regarding the role that the Soviet Union has played in decisions reached by Chinese leaders in regard to Korea, Chinese intervention in Korea furthers Soviet objectives. Although the USSR has made no open commitment to support the Chinese, planes drawn from the Soviet air force have been observed in increasing numbers in Manchuria and over Korea. Soviet propaganda has recently called attention to Soviet obligations under the Sino-Soviet treaty to support China in case of aggression by Japan or by any power directly or indirectly associated with Japan. Soviet officials and propaganda have recently stressed alleged US use of Japanese troops in Korea and US preparations to use Japan as a base for aggression.

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EXHIBIT C

Indications of Chinese Communist Intervention in Korea,
October 1950-December 1950

(As reported and evaluated in CIA Daily Summary*)

Chou En-lai's threat to intervene, 3 OCTOBER 1950: Chicoms are planning to intervene with troops in Korea, "if" UN-US forces cross the 38th parallel, but not to intervene "if" only South Koreans cross that border, so Chou En-lai reportedly told Indian Ambassador in Peiping, 3 OCTOBER, [REDACTED] CIA commented (3 OCTOBER, Daily Summary) that while Chicom has "long" had the military capabilities, they will "not" intervene "if, as now seems likely, they anticipate that war with the UN nations would result." CIA, furthermore, questioned reliability and accuracy of Indian report, as a "plant" to influence US-UK policy. On 4 OCTOBER, no credence was attached to Indian report by US Embassy Moscow (Kirk); instead, Kirk "speculated" [REDACTED] [REDACTED] that Chou En-lai statement "may be a last-minute attempt" to provoke fear in India (not explained). On 5 OCTOBER, State Department Washington "felt" that Chicom statements (like Chou En-lai's) "can only be designed to dissuade UN members from supporting firm UN action." Thus (State said), Manchuria is already an "important" training and logistical base for some 20-30,000 Korean troops who have already been trained there by the Chinese; and "the only question" is "the extent" of Chinese intervention in Korea. On 6 OCTOBER CIA (in Weekly Summary) commented more strongly (than in Daily Summary of 3 OCTOBER), now saying that Chou En-lai's statement was simply a "bluff".

* Copies of this publication are available in OGR Top Secret Control.

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Chou En-lai's statement was similarly discounted by [REDACTED]

[REDACTED] (CIA Daily Summary, 9 OCTOBER)

that "Chinese were evidently prepared to make equivocal statements to please the Russians", and that Chicom's present "obligations" (not explained) and its "supply and economic situation" was too "difficult" for them to go through with intervention. CIA again commented (9 OCTOBER) that Chicom's threats to intervene are "probably designed" to deter UN-US forces from going beyond 38th parallel.

Yalu River (Suiho) hydroelectric plants are "doubtless" a potential source of conflict between Korea, Chicom, and Soviet interests, so US Embassy Moscow said (11 OCTOBER 1950, CIA Daily Summary). No comment by CIA, which presumably thereby accepted this as evidence of a divisive trend in Soviet-Sino relations that would be of future advantage to the West.

Chicom has sent six divisions into North Korea, so it was claimed by official Nationalist report from Taiwan. Mentioned in passing (in CIA Daily Summary, 13 OCTOBER), in connection with a "peace-loving" statement by Mao Tse-tung which Nationalists were challenging, no CIA comment on Chicom troop movements. These Nationalist reports were not mentioned at all in the CIA Weekly Summary that was issued the same day.

Similarly, on 16 OCTOBER, 4 "divisions" of "unidentified troops, presumed to be Chinese [Communist]," have been reported to have crossed the Manchurian border into Korea, [REDACTED]

[REDACTED] CIA acknowledged (16 OCTOBER, Daily Summary), without

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citing nature of sources, that there have been "numerous reports [?]* during recent weeks" of four Chicom units (variously called "armies" and "divisions") actually in Korea, but discounted this latest report because it "may" be simply a "repetition" of earlier reports. In any case "CIA continues to believe" that Chicom, "while continuing to assist the North Koreans," will "probably...not intervene openly." (16 OCTOBER, Daily Summary).

Similarly on 20 OCTOBER CIA Daily Summary mentions report that Chicom has "decided" to intervene; that 400,000 Chicom troops are reported to have moved to Korean border, alerted to cross on "18 October or two days later"; and that Chicom-controlled Central Air Transport Corporation has recently had an "urgent and unexpected air operations conference" in Peiping. These reports came originally to US Military Liaison Officer in Hongkong, in a report attributed by him to an official of that Chicom corporation. CIA's comment, 20 October, was that while Chicom has "capabilities" to intervene, "the optimum time for such action has passed," (not explained), and that Chicom and USSR are "not...willing to assume the increased risk of....a third World War which would result from direct Chinese Communist intervention in Korea." On the same day Korean situation was omitted entirely from the CIA Weekly Summary (see Exhibit P).

No further items on Korean situation in CIA Daily Summary for 21, 23, 24, 25, 26, 27 October 1950; nor any mention in next Weekly Summary 27 October 1950.

On 28 October 1950, the CIA Daily Summary resumed reporting on Chicom

* If there were earlier "numerous reports" with any credibility at all, they had not been cited up to this time.

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plans in Korea, this time (for the first time) quoting reports from two "CIA sources" [REDACTED] A Chicom decision against intervention was made (so the reports say), "in early October," at a conference in Peiping attended by Chicom, USSR, and North Korean leaders, calling for the following: (1) "withdrawal" of North Korean "main" forces to Manchuria, "if" they cannot resist UN crossing of 38th parallel; and (2) guerrilla operations in Korea by the "balance" of the forces. One of the two CIA sources did say, however, that Chicom units had already been in North Korea for some time, but that "the bulk" of these units had already been "withdrawn...leaving only skeleton forces in order to create an impression" of strength, in order to "deceive" U.S. intelligence. CIA, commenting on these reports (28 October) "concurred" with these indications of alleged Soviet and Chicom non-intervention "intentions", and acknowledged that the report of "skeleton" Chicom forces is "consistent with fragmentary field reports thus far received on Chinese Communist participation in the Korean fighting." This comment of 28 October and the alleged non-intervention conference decision, were not repeated in the next CIA Weekly Summary, on 3 NOVEMBER 1950.

As of 30 OCTOBER 1950, three Chicom divisions "are now in Korea," according to U.S. 8th Army interrogations of ten Chicom POW's. CIA's comment (in Daily Summary, 30 October) is similar to those in preceding days and weeks: "CIA continues to believe that direct Chinese Communist intervention in Korea is unlikely at this time." Commenting skeptically on POW reports, CIA asserts that "the presence" of Chicom units in Korea "has not been confirmed" (but see 16 October); CIA questioned the reliability of reports of POW "privates" as not being in position to know; and

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CIA questioned, further, whether these Chicom "privates" were not sent to North Korea to "plant" misleading reports in the "hope of slowing the UN advance." (The military indications based on these POW reports were not repeated in the next Weekly Summary, 3 November 1950.)

On 30 OCTOBER, commenting further (Daily Summary), CIA acknowledged that there were Chicom units "along the Manchurian-Korean border" which "may" (that is, presumably in the future) be moved across the border to form a "cordon sanitaire" around the Suiho hydroelectric plants and other nearby installations that were, in CIA judgment, "essential to the Manchurian economy." (This "defensive" economic motive for limited intervention, as against any larger "offensive" political motive of USSR and Chicom for intervening, is again expressed by CIA in the Weekly Summary for 3 November 1950.)

On 31 OCTOBER 1950, Chicom troops again were reported to be in North Korea, this time in an "estimate" made by U.S. 8th Army Hqs., and the troops are said to have entered Korea "on or about 16 October." (CIA Daily Summary, 31 October 1950). Although the information is "sketchy" (the 8th Army cautions), two Chicom regiments "may be engaged" (at that very moment) in the 8th Army's combat sector; and whether they are independent Chicom units or integrated with North Korean units is not known (so the 8th Army reports). CIA acknowledged that "there probably are small numbers" of Chicom troops in Korea, but CIA adheres to its prior position, that "CIA does not believe" that their appearance "indicates that the Chinese Communists intend to intervene directly or openly in the Korean war." (No mention of this further 8th Army estimate is included in the next CIA Weekly Summary, 3 November 1950.)

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As of 2 NOVEMBER 1950 (CIA Daily Summary), it is reported that Chicom allegedly had made its "decision" to "participate" in the Korean war as long ago as "August 1950", at a conference of "top Sino-Soviet leaders;" that the "formal" decision to intervene was made 24 October, at a meeting presided over by Mao Tse-tung; and that 20 Chicom "armies" are "now" (about 1 November) in Manchuria. So it was reported [not by Chinese Nationalists, [REDACTED]

[REDACTED] CIA, commenting on this report, did not question [REDACTED] source, in contrast to its earlier skepticism of POW reports. Thus, CIA acknowledged that there were "considerable" troop movements (on the basis of reports received by CIA from "US" [unexplained] representatives in London and Rangoon, and from "CIA" sources in Taiwan); and said that these troop movements have been occurring "for several months". CIA interpreted the Sino-Soviet conference decision of August as being "quite possibly" a decision (merely) (1) to increase Chicom logistical support to North Korea, and (2) to plan large-scale "defensive" preparations by Chicom "in anticipation of possible UN retaliation for this increased military [that is, logistical] assistance"; but the third alternative, (3) to enter the Korean war with "open large-scale intervention", is "not likely," CIA concluded. (CIA Daily Summary, 2 November 1950.) Similarly, the next day, on 3 NOVEMBER, in the Weekly Summary, the probability of Chicom intervention continued to be discounted.

3 NOVEMBER 1950: No comment (or reports) at all on the Korean situation in the Daily Summary. Similarly, nothing was mentioned in the Daily Summary for 4 November 1950.

On 6 NOVEMBER 1950, CIA summarized the positive military indications

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of actual Chicom intervention as follows (presented now without CIA comment, presumably because CIA had accepted reports both as reliable evidence and as valid indications): (1) 25 to 27,000 Chicom troops are now "engaging" US forces in northwest sector of Korea, and Chicom force of "about divisional strength" are in northeast sector (reports from US Embassy Seoul); (2) total of 35,000 Chicom troops are engaged (from military "field reports"); and (3) 13 Yak aircraft were observed 5 November, "which could only have come from Manchurian fields" (from "US intelligence...reports"). (CIA Daily Summary, 6 November 1950.)

On 7 NOVEMBER, CIA Daily Summary included no further reports on actual intervention (presumably because by then intervention was an accomplished fact?). As to motives for Chicom intervention, CIA quoted (without comment) Yugoslav UN representative (Bebler) as being "convinced" that Chicoms "fear" that Yalu hydroelectric works are "threatened"; that UN forces are a "genuine threat" to Manchuria; and that UN and US should give "assurances" on these points in order "to reduce Chinese Communist fears." (CIA Daily Summary, 7 November, 1950.) This point of view in favor of Chicom's "defensive" motives appears again, apparently with CIA endorsement but without specific reference to Yugoslav reports, as a general comment in the next CIA Weekly Summary, 10 November 1950.

10 NOVEMBER 1950 (CIA Daily Summary). Skepticism is expressed, by US Embassy Seoul (repeated without comment by CIA), that recent Chicom moves into Korea are really "intervention". Thus, (1) Chicom's "failure" to follow up earlier military successes "may indicate a modification in any plans they might have had for all-out intervention"; and (2) Chicom participation to date "cannot be regarded either as direct, open intervention

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or as a continuous effort." In the same vein, CIA quotes various military indications approvingly: a "decrease" in Chicom's "vehicle" traffic on the night of 8 November; and "no solid contact" so far by 8th Army with Chicom forces. (See also CIA Weekly Summary for same date (10 November) in which CIA concludes that Chicom's participation in Korea is of "a limited extent.")

13 NOVEMBER 1950: Nothing included on Korean situation (in CIA Daily Summary) except a report on Australia's apprehensions. Its Prime Minister is said to have urged "military caution" in dealing with what he calls Manchurian "border incidents", and he suggests "temporarily" ignoring these Chicom "provocations," "pending clarification of Chinese Communist objectives, which may or may not be limited in scope."

14 and 15 NOVEMBER 1950, nothing on Chicom intentions in Korea included in CIA Daily Summaries.

16 NOVEMBER 1950, in CIA Daily Summary, with respect to Chicom motives: Chicom having intervened in Korea at this "late" date "may" reflect a USSR desire "to salvage something in Korea," rather than a Chicom "intention to plunge China into a global war with the U.S.," it was concluded by US Embassy Moscow. Although Soviet propaganda treatment of intervention "may reflect an ominous Soviet attitude," US Embassy Moscow concedes, the evidence is not sufficient that Chicom is "inviting war with the US and the UN," since the Soviet press emphasizes that Chicom intervention is "limited" to Chinese Communist "volunteers," and since no Soviet "volunteers" have so far been mentioned in the Soviet press. No comment on this State Department report by CIA, presumably because it is not inconsistent with current CIA and IAC-coordinated estimates.

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17 NOVEMBER 1950 (in CIA Daily Summary). [REDACTED]

[REDACTED] Chicom wants a "peaceful settlement of the Korean issue," so it was reported [REDACTED]
[REDACTED]

[REDACTED] At the same time, [REDACTED]
Chicom military moves are "of a flexible nature, designed for probing and for limited purposes generally," and the "Kremlin" will "not...allow present activities to develop into a general war." (Ibid.) Neither of these reports was commented on by CIA, in the above Daily Summary; but in the Weekly of the same day (17 November), CIA has concluded that Chicom did not seem "ready" to "withdraw" from Korea, and that their military tactics were "defensive."

18 NOVEMBER 1950 (CIA Daily Summary). British have just made a "compromise" proposal to US, calling for a "demilitarized zone" in North Korea, to be controlled by a UN body, "with Chinese Communist representation." This would "allay", the British argue, Chicom "anxieties concerning UN aggressive intent against Manchuria." The British doubt, furthermore, whether MacArthur has "sufficient forces" to drive to North Korea and maintain his position there "without striking at Manchurian air targets."

20 NOVEMBER 1950 (CIA Daily Summary). Chicom intentions are evaluated by CIA: while intervention so far has been "on a limited scale," CIA says, Chicom's military and psychological preparations for "full-scale war continue" within China; and Chicom's "present" military objective (or "mission") is (1) to "contain" (that is defensively) UN forces in Korea "through the winter," and (2) to keep Chicom "in a position sufficiently flexible for either withdrawal or full-scale commitment at a

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later date."

On same day (20 NOVEMBER), in CIA Daily Summary, regarding the speculative question as to how "genuine" Chicom's "fears" are of U.S. "aggression" in Manchuria, US Embassy Moscow warns that "to the contrary," Chicom officials "may be convinced that the US will not invade China," and that if such assurances by US are made, Chicom "may be encouraged in their aggressive actions."

Nothing on Chicom intervention in North Korea included in the Daily Summary for 21, 22, and 24 November when full-scale intervention was imminent or actually occurring. In the Weekly Summary for 24 November, however, Chicom's "ultimate" objectives are estimated by CIA as "inconclusive", while its immediate military objectives are regarded as a defensive "holding" operation to "defend" northwest hydroelectric area and northeast Manchurian borders.

25 NOVEMBER and 27 November 1950: nothing on Korea included in CIA Daily Summary.

28 NOVEMBER 1950 (CIA Daily Summary): Chicom's military operations in Korea are now labelled as "offensive", in the paragraph heading. US Embassy Seoul, quoting "local military circles" (unexplained), calls Chicom's current attacks "of such power and intensity as to constitute a general offensive rather than a series of counterattacks as first presumed." (Whether CIA or US Embassy Seoul had been "presuming" the latter conclusion is not clear in the text.) About 101,000 of the 149,000 enemy troops now "in the line" are Chinese troops, the 8th Army said.

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29 NOVEMBER 1950: No mention of Korea included in CIA Daily Summary.

30 NOVEMBER 1950: (CIA Daily Summary) As to the original timing and planning of Chicom intervention, the US representative to the UN (Gross) has just "passed on" to the British and French (to their delegates in the UN), what is apparently the considered conclusion of US intelligence (from an unidentified post-facto estimate, not previously cited in CIA Weekly or Daily Summaries up to this date) -- the conclusion that "the Chinese Communist offensive had been prepared and was actually in motion when the UN offensive [at Inchon in mid-September?] was launched;" and (Gross adds), the British and French "were visibly impressed".

[REDACTED]

6 DECEMBER 1950: Chicom leaders had made their intervention decision on "16 November", according to a press dispatch by an unidentified Bombay journalist, reportedly suppressed by Indian Government and by "a British news agency." Chicom plans had included half a million of Chicom's "finest troops" he said; Chicom was "fully prepared to face any consequences"; and they had received USSR assurances of assistance if they suffered "reverses or defeat." Earlier, in "October" (according to the same Indian journalist), Chicom and USSR had signed a "secret agreement" calling (among other things) for eventual Chicom intervention in Korea. No comment by CIA. (CIA Daily Summary.)

7 DECEMBER 1950 (CIA Daily Summary). Chou En-lai is said to have "declared" [REDACTED]

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that Chicom "has made itself ready" for a 3rd World War, which he says is "inevitable" as long as "neither UN nor Chicom forces are willing to leave China."

27 DECEMBER 1950 (CIA Daily Summary). Chicom's forces "intend to occupy all Korea unless prevented by force," the US Embassy Taipei was told (not by Chinats, [REDACTED] and Chicoms had "fully expected the US" to bomb targets in Manchuria and elsewhere "when the Chinese intervention in Korea could no longer be concealed." This fear of bombardment was "the important reason" why Chicom intervention was "delayed as long as possible," [REDACTED] No comment by CIA.

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EXHIBIT P

Treatment of Chinese Communist Intervention Issue
in CIA's "Weekly Summary," September-November 1950
(prepared by Historical Staff, October 1955)

1 Sept 1950 (p. 4)

USSR and CHICOM accusations against US "may actually be" propaganda build-up for CHICOM military aggression in Korea. (This estimate was reversed beginning 8 Sept 1950; see items below.)

8 Sept 1950 (p. 7)

CIA admits that there are "numerous reports" of "readily available" former Korean veterans (from 1946-48) in Manchuria, but "discounts" reports because those troops have not, in fact, thus far appeared in "combat areas;" "if" such a trained reserve had existed on 25 June, they would have been committed by CHICOM long before now, when the use of "inexperienced" troop reinforcements by North Korea has been so common. North Korea's replacements are estimated to be available in the following order of probability: (1) non-veteran Koreans in Manchuria and Communist Korea; (2) "untrained Chinese Communist or Soviet manpower resources," and (3) (lowest priority) "Chinese Communist or Soviet military units," "if" intervention is decided. Elsewhere (p. 11), CIA predicts that "another large scale North Korean effort will probably develop in the near future," but CHICOM forces are not specifically mentioned in this context.

15 Sept 1950 (p. 1)

CIA doubts that CHICOM intervention would occur. While UN amphibious landing in Korea has "focussed attention" on a possible commitment of

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CHICOM forces, the "continued Soviet reluctance to expand the Korean conflict, as well as various political disadvantages, appear to preclude such a development." Elsewhere (p. 9), in the same tenor, CIA notes "numerous reports" of CHICOM "troop movements in Manchuria," but regards intervention as "unlikely:" "cogent political and military considerations make it unlikely that Chinese Communist forces will be directly and openly committed in Korea." USSR strategy, according to CIA, is to avoid "general war" and to rely on "indigenous 'liberation' forces assisted, but not to the point of overt intervention, by neighboring Communist regimes." CHICOM intervention is unlikely for further reason that intervention would "strain rather than solidify the Chinese-Soviet alliance," because (CIA says) the Chinese would place demands on USSR for military aid in addition to material aid. Furthermore (p. 10), CHICOM would fear "direct...intervention" because that step would "invite retaliation against China by UN forces." Meanwhile (p. 10), USSR and CHICOM will use threat of "direct intervention" as a propaganda weapon (only) "to exploit Western fears of this eventuality," CIA concludes.

22 Sept 1950

After UN landing at Inchon, CHICOM and/or USSR intervention in Korea remain "unlikely," CIA says (p. 1): "disadvantages" to USSR outweigh advantages of CHICOM and/or Soviet intervention; USSR is likely to "write off" Korean venture, and continue its present "hands-off" policy, rather than either (1) to employ Soviet or CHICOM troops or (2) to attempt a diplomatic settlement. Intervention "would force the USSR to disavow its previous stand regarding the Korean question," and "would...even further

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weaken the current Soviet peace offensive" (p. 3). An "even more compelling" reason for non-intervention is that intervention would "substantially increase the risk of global war" (pp. 3-4), and it would invite UN air attacks on "Chinese and Manchurian supply routes, and possibly industrial installations." USSR will "probably" avoid risk of damage to "this segment of the Communist Far Eastern potential," CIA says, "unless it intended to initiate general war in the immediate future." CIA's estimate ends with the assumption (apparently fully accepted, p. 5) of the imminent "collapse" of the North Korean effort, and it goes on to discuss the resulting "reconstruction problems" that will face "the victorious Republic." (p. 5.)

29 Sept 1950

CIA's summaries on the Korean situation (p. 11) are limited to the military situation: the "lessening" of North Korean resistance; the withdrawal north of the 38th parallel; and the expectation of North Korea's "final" defensive effort, for which its troops are now being regrouped to the north. CIA by now no longer makes any mention at all of the possibility of CHICOM intervention, except to note (in "highlights," p. 1) that "the world still waited anxiously...for some firm indication of the steps the USSR would take to keep control of North Korea."

6 Oct 1950

CIA regards CHICOM or USSR intervention as even "less" likely than before, as indicated by "continued failure of the USSR to react violently" to the "UN endorsement of the Western position on Korea" (p. 1, "highlights"). Elsewhere (p. 5), CIA assumes the "defeat" of the North Korean

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Communist regime and the "loss" of that area to Soviet control; and predicts that USSR "will probably be reluctant to attempt another Korean-type venture in the near future." CIA concludes that the possibility of Soviet or CHICOM intervention "continues to diminish" (p. 5, and again on p. 6); and that "USSR has temporarily, at least, written off Korea."

Chou En-lai's threats to intervene (declared to Indian Ambassador at Peiping) are "primarily a last-ditch attempt to intimidate the US." His recent remarks hinting at intervention "are in fact estimated to indicate less drastic actions" (p. 8), which would take the form (CIA says) of being "probably" limited to "support of North Korean guerrillas and sanctuary for North Korean leaders" (p. 8). His implied threat to intervene is "probably" an attempt to "bluff" the UN into not crossing the 38th parallel, "rather than a forewarning of Chinese intervention," CIA concluded (p. 8).

13 Oct 1950

North Korea will "continue" to resist "as long as possible," "in spite of" recent UN ultimatum, and they can depend on "material" aid (that is, supplies, bases, sanctuary, and guerrilla support) from USSR and CHICOM, CIA concludes; but "direct Chinese or Soviet military intervention" is "unlikely" (p. 1, "highlights"). This conclusion was qualified elsewhere, however (p. 5): some Korean units "may still be transferred" from Chinese armies to North Korea; and CHICOM "may" send "a few Chinese troops" across the Yalu River to protect its bridges and the hydroelectric plant at Suiho. In any case, North Korea's "entire" force "lacks the strength and experience" to continue "prolonged" organized resistance. (p. 5).

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20 Oct 1950

Korean situation omitted entirely, both from "highlights" (p. 1) and from the detailed area comments (pp. 2-14), except that Korea's "reconstruction problems" (following expected South Korean victory) are mentioned by CIA as being discussed in the UN (p. 2).

27 Oct 1950

Again, the Korean situation is omitted entirely from both the "highlights" (p. 1) and the "Far Eastern" section (pp. 10-13), except that (incidentally, under Indochina), India is said to be "angered" at its "embarrassment" that CHICOM has "failed" to fulfill "its avowed intention" to "resist" UN-US crossing of the 38th parallel. Meanwhile, CHICOM's announcement "hinting" at intervention (not now in Korea, which is not mentioned at all, but in Tibet), is "discounted" by CIA (p. 10).

3 Nov 1950

North Korean resistance is now "suddenly stiffening," thus posing "gravest threat" to US security, CIA concludes; but probability of CHICOM intervention is again discounted (p. 1). Thus, while "the possibility cannot be excluded" that CHICOMS are "gradually committing themselves to full-scale intervention," CIA regards that their "main objectives" are to establish a buffer area or "cordon sanitaire" south of Yalu, in order to guarantee Manchurian border, and to protect the Suiho hydroelectric system. Civil-defense indications in Mukden (e.g., evacuation of industrial machinery, civilian evacuation, and air-raid precautions) all "indicate" that CHICOM expects UN "retaliatory action" for CHICOM's "activities" in Korea (p. 6).

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10 Nov 1950

After "new turn in events," with CHICOM troops now "committed" to North Korea, CIA reports that Korean fighting is at a "temporary lull" (p. 1), and CIA concludes that CHICOM participation is of "a limited extent," (p. 1, again on p. 2). This situation "may" indicate, CIA estimates, that CHICOM "merely" intends (1) to halt UN military advance, (2) "to keep a Communist regime on Korean soil," and (3) to "hope to achieve some kind of political solution." (pp. 1, 2.) CHICOM operations are "apparently restricted" to holding a "defensive line along the Manchurian border" (p. 3). CIA warns, however (p. 2) that CHICOM "retains full freedom of action," and that "with forces available in Manchuria", CHICOMS are "capable of committing more troops in an attempt to prevent a UN victory in northern Korea." (p. 2.) "At any point in this development," CIA warns, the "danger is present that the situation may get out of control and lead to a general war" (p. 2). CIA predicts (p. 3) that "every effort will be made" by UN powers to localize CHICOM operations by "conciliatory gestures," such as "assurances" (a) that the UN has "no intention" of crossing the Manchurian border, and (b) that CHICOM interests in the Yalu hydroelectric plants will be "protected" (p. 3).

17 Nov 1950

CHICOM military and political moves give "little indication" that CHICOM is "ready" to "withdraw" from Korea or seek a "political solution" (p. 1). North Korean military tactics appear to be "defensive" (p. 2), and their military pressures have "definitely slackened." Yet CIA reports the "possible" presence of two additional Chinese armies in the northeast sector (p. 3). Other indications that CHICOM is "not" planning

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an "early withdrawal" from Korea are reported by CIA: air-raid preparations in Mukden area; propaganda blasts against UN; and "expanding" CHICOM intervention in Korea (not explained). CHICOM still retains "full freedom of choice," CIA concludes, to take following alternatives: (1) to prolong the present military "stalemate"; (2) to increase its military effort to drive UN back to 38th parallel, or "possibly" out of Korea entirely; and (3) "even" to "withdraw" from Korea or to reduce scale of its intervention to a "minimum" (p. 2).

24 Nov 1950

Evidence is "still inconclusive," CIA concludes, as to CHICOM's "ultimate objectives" in its military intervention in Korea since early November, except that it is "fairly clear" that CHICOM "will, for the present, maintain holding operations in North Korea," while seeking UN withdrawal from Korea by "intimidation and diplomatic means" (p. 1, again on p. 2). If latter objective "fails", "there may be increasing, but unacknowledged, Chinese intervention in Korea." CHICOM "will continue" to direct main military effort to "holding" northwest front (hydroelectric area) and northeast triangle (to Manchurian-Soviet borders); but "except the northwest," CHICOM troops are "thinly deployed," with "only limited" ability to launch counter-attacks.

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EXHIBIT Q

Treatment of Chinese Communist Intervention Issue
in CIA's "Daily Korean Summary," July-November 1950
(prepared by Historical Staff, October 1955)

The Daily Korean Summary (see Appendix B) was intended to be, as the President had requested, a resumé of the military situation on any given day. It was not in any sense intended to be an estimate. It did what other CIA publications normally did not do, in reporting on the positions and activities of American forces. It was based primarily on US military reports, particularly the daily teletype conference between Washington and Tokyo which its editors attended.

The Summary also carried brief sections on political, psychological, and "other developments," however, and reflected interpretations placed on intelligence by command headquarters, if not its own interpretations.

Its first reference to possible Chinese intervention is on 7 July, when there is mention of the presence, in North Korea, of Korean combat veterans who had served with Chinese Communist forces in Korea, and the presence of USSR "advisors." On 24 July the possibility of Korean-Manchurian "veterans of the CCF" is mentioned; and on 5 Sept., the body of a USSR officer was found in the wreckage of a downed North Korean plane (the press report indicating this was stated as "unconfirmed" by CIA).

There is no mention at all, however, during the period 2 July to 13 October, of any of the indications of CHICOM intentions which meanwhile were being reported in CIA's regular weekly and daily world-wide summaries.

On 14 Oct., CIA quoted (without comment, suggesting that CIA did

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not discount the indication) a report by a Netherlands diplomat in Peiping to the effect that four "divisions," "presumed to be Chinese", have crossed from Manchuria to North Korea. In this issue, CIA calls this report "another" report (that is, presumably a second) on CHICOM intervention, but no reference to any earlier report, in preceding issues of the Korean Summary, has been found.

On 28 Oct., three Chinese POW's are reported as captured by ROK forces, and CIA (for the first time in the Korean Daily Summary) published its conclusions, as follows: "An unknown number of Chinese soldiers were probably incorporated recently into North Korean units to assist in the defense of Manchurian border areas. There has been no indication of open intervention on the part of Chinese Communist forces."

On 30 Oct., the capture of ten POW's from three CHICOM divisions is mentioned by CIA, but the US 8th Army's conclusion (which was meanwhile published on the same day, in CIA's regular Daily Summary), that three CHICOM divisions were in North Korea, was not included in the Korean Summary. On the contrary, CIA added (and presumably accepted) a comment from General MacArthur's higher headquarters, that "The Far East Command does not believe any of these units...[that is, the 117th, 119th, and 120th Divisions] are in North Korea."

On 31 Oct., CIA mentions (without comment), in its beginning "highlights" section, that "additional Chinese Communist troops have been captured." Later in the same Summary, CIA quotes the US X Corps as having "confirmed the identification" and "tentatively accepted the organization" of the 370th Regiment of the 124th Division of the CHICOM Army, "which is said by Chinese POW's to have crossed into North Korea at Chian on or about 16 October." This report carries no comment by CIA

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(in the Daily Korean Summary), but in the CIA Daily Summary for the same day (31 Oct.), CIA comments that "CIA does not believe" that the appearance of Chinese troops indicates that CHICOM "intends to intervene directly or openly in the Korean war."

No further military indications of CHICOM intervention are reported on 1 Nov. and 2 Nov. 1950, in the Daily Korean Summary.

On 3 Nov., US 8th Army has "re-interrogated" certain captured Chinese POW's and has now concluded that the two units previously regarded as being only of "regimental" strength are actually of "divisional strength." No comment added by CIA, nor is there any comment from the Far East Command either accepting this revised estimate or revising its own previously issued estimate (30 Oct.) that it did not "believe" that Chinese units were in North Korea.

On 4 Nov., no further military or other indications of CHICOM intervention are mentioned.

On 6 Nov., CIA quotes (without comment) an "estimate," presumably by US 8th Army, that three CHICOM divisions are now engaging the "immediate" front of the 8th Army, that is, the northwest sector. (In CIA's regular Daily Summary for the same day, this estimate is attributed not to 8th Army but to US Embassy Seoul.) The Daily Korean Summary for this date (6 Nov.) does not, however, mention the northeast sector, where (according to the regular Daily Summary, same day) still another CHICOM division was located.

On 7 Nov., no further military or other indications of CHICOM

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intervention appear, except for a report of "enemy jet aircraft...observed patrolling the Manchurian side of the border."

On 8 Nov., an attack on the "first span" of a Yalu River bridge by UN carrier-based planes is reported. Additional hits are reported on 9 Nov.

On 11 Nov., additional Chinese POW's have been interrogated by US 8th Army, one of them indicating for the "first time" the "presence of an entire Chinese Communist army in North Korea." (No comment by CIA, nor is the report itself repeated in the CIA Daily Summary for that and subsequent days.)

No reports on CHICOM operations on 13 Nov.

On 14 Nov., "Far East Command now believes" that CHICOM troop strength in Korea totals 59,196, presumably reversing its estimate of two weeks earlier (30 Oct.), which had denied that "any" CHICOM divisions were in North Korea.

On 15 Nov., in the "highlights" section, CIA states that "Evidence continues to indicate an enemy withdrawal in the northwest sector." See also CIA Weekly Summary for 17 Nov., in which CIA apparently expects "withdrawal" by CHICOM, but concludes that CHICOM does not yet seem "ready" to do so.

On 20 Nov., the views of "UN Command Headquarters" (General MacArthur's immediate headquarters) are quoted as "summarizing the pattern of enemy withdrawals during the last ten days." That headquarters has concluded

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that "although such withdrawals have in the past preceded enemy offensive action, the current withdrawals could indicate a high-level decision to hold a defense line based on selected strong points in the generally favorable defensive terrain of northern Korea."

No mention of CHICOM forces or operations in Korea, in the Daily Korean Summary for 21, 22, and 23 Nov.

On 24 Nov., CIA quotes (without comment) "UN Command Headquarters in Tokyo" as having had "a discussion of Chinese Communist intentions," suggesting that General MacArthur's headquarters is now less sure that CHICOM forces will actually "withdraw", but believes that "in any event" CHICOM intends to "defend" the Yalu reservoir and power-installation area. In that estimate, UN Command Headquarters "points out that [its] present indications of a possible Chinese Communist withdrawal to the Yalu River are counterbalanced by the increased tempo of Peiping's psychological warfare, which is stressing the themes of continued intervention and China's inability to permit the occupation of a neighboring country by 'American imperialists.'"

On 25 Nov. there is no mention of CHICOM forces, operations, or intentions.

On 27 Nov., CHICOM's 50th and 66th Armies are in North Korea, according to additional POW sources. One report (from a Chinese officer) indicates a total of "six CCF Corps (Armies) in Korea." US Embassy Seoul regards enemy attack as a "general offensive..." (repeated the next day in CIA's regular Daily Summary, 28 Nov.).

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On 29 Nov., CHICOM units are now reported as a "formidable threat" to US X Corps.

On 2 Dec., CHICOM forces in the northeast sector are "now estimated as nine divisions" (estimate presumably made on the ground by UN forces in Korea, not by CIA).

On 11 Dec., US 8th Army has had "no positive contact" with CHICOM forces "for several days."

On 15 Dec., President Rhee of ROK wants UN General Assembly to act to "permit MacArthur to continue the fight in Korea," according to US Embassy Seoul. Rhee "hold stubbornly to the illusion," says US Embassy, "that MacArthur's first communique" (the date of which is not given in this report), "stating that the Chinese Communist invasion is in effect a new war calling for new decisions in the world's chancelleries, was a public statement that he was without authority to continue the fight against the Chinese Communists." Rhee "further reasons," says US Embassy Seoul, that "the lack of such authority accounts for the 8th Army's retreat and that MacArthur must receive such authority from the UN if he is to continue the fight in Korea." No comment added by CIA, nor does any comment appear in regular CIA Daily Summary for those days.

The present survey of the CIA Daily Korean Summary is limited to the period ending 31 Dec. 1950.

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EXHIBIT R

Summary of CIA-Collected Information, July-November 1950
bearing on Communist China's Intentions in Korea

(prepared by Historical Staff, October 1955)

The summary below is based not on the CIA reports themselves, but on several tabulations (SECRET, totalling about 30 pages) prepared for the Director's use, in April 1951, by CIA/CO and CIA/CSO, which were the two offices that had direct responsibility for collecting and disseminating information from CIA-controlled sources. While those tabulations extended beyond November 1950 (to May 1951), and hence go beyond the period of the present study, they do nevertheless cover comprehensively an accounting of CIA's own intelligence-information reporting during the critical period July-November 1950, when Communist China was planning and launching its military intervention in Korea.

During the period July-November 1950, CIA's reports bearing on the Chinese-intervention issue totalled almost 600 reports collected and disseminated. Of them, four were rendered by CO/C during that period; fourteen by CO/FBID; 20 by CO/FDD; and 554 by CSO. All of these reports were disseminated according to normal procedures. It can be assumed, conversely, that none of these reports was withheld from the responsible agencies involved: neither from CIA's estimating organization (ORE, later ONE); nor from the State and Defense Department intelligence agencies, which (with CIA/ORE and CIA/ONE) were responsible for preparing and coordinating estimates in Washington; nor from General MacArthur's headquarters in Tokyo. It appears, furthermore, that many if not all of these

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reports were also referred to again later, if not specifically at least as background information, in the course of CIA's regular Daily and Weekly Summaries, which were published and disseminated (to the same agencies) during the period July - November 1950.

CO/C's four reports included a warning from an American businessman (indirectly from the Portuguese Prime Minister), in July 1950, that the USSR would intervene in Korea if the North Koreans "met reverses." CHICOM troop movements from south to north China, July - October 1950, were reported indirectly from several sources, including Chinese Nationalist sources and a translator in one of the CHICOM ministries. In addition to these four reports, several other reports of CHICOM troop strength, as of "October" and "November" 1950, were obtained by CO/C, but not published until January 1951. (Whether the latter additional indications had actually been collected before the critical days in November 1950 is not indicated.)

CO/FBID's reporting on broadcasts of USSR and Far East origin, during the period July-November 1950, included, of course, full reporting of Communist propaganda attacks on US "aggression" and on UN military operations in Korea. FBID published the following, among other items in 14 studies: Chou En-lai's threat, early October, not to "supinely tolerate" U.S. aggression" in Korea; an "unprecedented" 5-to-1 increase in Chinese Communist propaganda, 31 October to 6 November, to convince the Chinese that they owed a "blood debt" to Korea; and Moscow's broadcast, about 15 November, defending Chinese "participation" in Korea "because" U.S. operations in Korea were "really directed at China."

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CC/FDD's twenty reports, published during the period July-November 1950 were based principally on newspapers published in the Far East, including publications appearing in Hongkong, Shanghai, Tokyo, Bangkok, and Hanoi and (in a few instances) Communist-controlled newspapers in Hankow and Mukden. Among the indications reported by FDD were the following: troop movements from south to north China, 3 July (twice), 5 July, 9 July, 10 July, 11 July (twice), 16 July, 23 July, 11 August, 12 August, and 23 August; other war preparations in China (15 July and other dates); a report by a POW (5 July) that the 18 NK Division then at Seoul was "composed mostly of Chinese"; troop movements by USSR at Port Arthur and Dairen (18 July); presence of CHICOM troops actually in Korea (24 July); possibility of CHICOM intervention in Taiwan or Indochina, with Korea not mentioned (5 August); and a USSR-CHICOM policy conference in Hankow (27 August). The dates above are the dates when the newspaper or other publication was originally published, but all the items were disseminated by CC well within the critical period July - November 1950. (Most of CC/FDD's translations and summaries were not disseminated until three or four weeks after the original publication of a given newspaper. Whether this delay was at that time the normal delay in collecting and transmitting the publications to Washington, and how lengthy CIA's processing period amounted to, have not been analyzed in the present study. In any case, the references above were each disseminated and published by CC well within the critical period, July - November 1950.)

CSO's reports were immediately disseminated directly to the Far East Command and processed as soon as possible (usually a few days later)

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through Washington IAC channels. Included among OSO's intelligence report were some 554 reports disseminated during the critical period July - November, 1950. According to OSO's summary in April 1951, "a considerable number of reports derived from Chinese sources ... trace d the movement of Chinese Communist military forces northward into Manchuria and toward the Korean border, indicating units, equipment, and other order of battle details." Also included in OSO's listing of reports are seven "indications based on Chinese Communist commercial activities in Hongkong, October and November 1950"; and thirteen indications of CHICOM or CHICOM-USSR conferences and policy statements relating to war preparations, July - November 1950.

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EXHIBIT S

The Public Controversy in April-June 1951
as to the Adequacy of U.S. Intelligence Estimating, July-December 1950,
with respect to Chinese Communist Intervention in Korea

(prepared by Historical Staff, October 1955)

The following excerpts from public sources,** published between 1951 and 1955, furnish comment on CIA's part in anticipating Chinese Communist intervention in the Korean War.

* The classification "Confidential" applies to this exhibit as a whole, not to individual press references cited.

** These excerpts have been selected and quoted from the comprehensive press-clipping file entitled "CIA in the News", assembled and maintained in two forms by the CIA Library: (1) the main scrapbook for the year 1951, arranged chronologically; and (2) supplementary envelopes of unbound clippings, organized by subject, including three envelopes in particular: "Truman Fires MacArthur"; "...Hillenkoetter Comments on...MacArthur"; and "...Testimony...Before...Senate...on the Dismissal of...MacArthur." In addition, further recollections by General MacArthur were published later: (1) in 1954, in his authorized memoirs, "MacArthur, 1941-1951", edited by General Willoughby and John Chamberlain; and (2) in 1955, in the memoirs entitled "MacArthur's Rendezvous With History", edited by General Courtney Whitney.

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RECOLLECTIONS BY PRESIDENT TRUMAN IN MAY 1951

President Truman, at his regular press conference on 3 May 1951, was asked to comment on General MacArthur's testimony, earlier that day with respect to pre-intervention intelligence coverage on Communist China. (The President's remarks as published were paraphrased, rather than quoted verbatim, in accordance with traditional White House press practice. The fullest summary found is in the Washington Post, 4 May 1951.) Commenting on MacArthur's charge that CIA told MacArthur that the Chinese "would not intervene in Korea," the President said that "if" CIA had made such a report, "it had not come to him" (that is, to the President). When pressed further, however, by another reporter, who asked the President whether CIA had not actually reported to the White House "in advance of the November 24-25-26 intervention," the President qualified his first categorical reply and "said he didn't know--that he would have to look it up." He said further that "the CIA sent reports to him every day. He added that he read them every day, too, but couldn't recall exact dates. He said the question of what the CIA and the Joint Chiefs of Staff expected before the Chinese did intervene would be brought out by the Senate committee."

At the same press conference (3 May 1951), President Truman said that if MacArthur did "not" have the benefit of "CIA reports at the time of the Red attack," it was "because he (MacArthur) did not let the agency (CIA) operate in his command until recently" and that that administrative situation improved "only after its chief,...Smith, flew to Tokyo last

January to confer with MacArthur." (The next day, at the Senate hearing, MacArthur labelled Truman's charges of non-cooperation as "all tommyrot". For MacArthur's further testimony on this point, see elsewhere in this study.)

In another report of this press conference (New York Times, 4 May 1951), President Truman said (paraphrased) that General MacArthur "certainly had convinced him," at their Wake Island conference in October 1950, "that the Chinese Reds would not enter the Korean conflict."

ADMIRAL HILLENKOETTER'S RECOLLECTIONS IN MAY 1951

On 9 May 1951, in a press interview, Admiral Hillenkoetter commented on General MacArthur's charge (a few days earlier) that intelligence agencies in Washington failed to tell him of the movement of the Chinese 3rd and 4th armies from China to Manchuria. Hillenkoetter said that "he did not recall any word of Chinese troop movements to Manchuria up to the time he left the CIA October 1 (1950)." Such information, if it had been available to CIA, "would" have been sent by CIA not to MacArthur directly but to the Joint Chiefs of Staff, "under normal procedure."

As to MacArthur's non-cooperation with CIA, charged by President Truman, Hillenkoetter recalled that "CIA had cordial and effective relations with MacArthur's Far East Command up to the time he left" CIA.

Hillenkoetter also commented generally on his understanding of CIA's responsibilities for estimating, apparently in the same interview. He said that "CIA could not be called on to report more than the location and estimate of the capabilities of any Chinese troops in Manchuria." Underscoring his belief, Hillenkoetter added (quoted directly): "To predict the intentions of the enemy, real or potential, you would need a crystal ball."

All except the latter direct quotations are quoted from various paraphrases of Hillenkoetter's press interview, published at the time (for example) in the Huntington (W.VA.) Herald-Dispatch, 11 May 1951; Tulsa (Okla.) Tribune, 10 May 1951; and Fresno (Calif.) Bee, 11 May 1951.

MacArthur's Estimate of About 15 October 1950

In October 1950, at the Wake Island conference, General MacArthur's own estimate of Chinese Communist intentions in Korea was requested by President Truman. A verbatim transcript of MacArthur's estimate is included in Frazier Hunt's The Untold Story of Douglas MacArthur (1954), pp. 475-6. It took the form of remarks in reply to President Truman's question, "What are the chances of Chinese or Soviet interference?" MacArthur's reply was as follows:

"Very little. Had they interfered in the first or second month it would have been decisive. We are no longer fearful of their intervention. We no longer stand hat in hand. The Chinese have 300,000 men in Manchuria. Of these probably not more than 100,000 to 125,000 are distributed along the Yalu River. Only 50,000 to 60,000 can be gotten across the Yalu River. They have no air force. Now that we have bases for our Air Force in Korea, if the Chinese tried to get down to Pyongyang there would be the greatest slaughter.

"With the Russians it is a little different. They have an air force in Siberia and a fairly good one, with excellent pilots equipped with some jets and B-25 and B-29 planes. They can put 1,000 planes in the air with some 2,000 more from the 5th and 7th Soviet fleets. They are probably no match for our Air Force. The Russians have no ground troops available for North Korea. They would have difficulty putting troops into the field. It would take six weeks to get a division across, and six weeks brings the winter. The only other combination would be Russian air support of Chinese ground troops.

"Russian air is deployed in a semicircle through Mukden and Harbin,

but the coordination between the Russian air and the Chinese ground would be so flimsy that I believe Russian air would bomb the Chinese as often as they would bomb us. Ground support is a very difficult thing to do. Our Marines do it perfectly. They have been trained for it. Our own air and ground forces (coordination) are not (as good) as the Marines, but they are effective. Between untrained air and ground forces an air umbrella is impossible without a lot of joint training. I believe it just wouldn't work with Chinese Communist ground and Russian air. We are the best."*

* The text of MacArthur's estimate does not appear, however, in his own authorized memoirs, published in 1954 by Willoughby and Chamberlain, nor in those edited by Whitney in 1955.

RECOLLECTIONS BY GENERAL MACARTHUR IN MAY 1951

At the Senate hearing on 3 May 1951, (verbatim transcript in New York Times, 4 May 1951), General MacArthur was asked by Senator Russell, presiding, "...did your intelligence have any previous knowledge of...Chinese...crossing the boundaries in any considerable force, prior to the attack and our reversals in North Korea, last December?"

MacArthur replied as follows: "We had knowledge that the Chinese Communists had collected large forces along the Yalu River. My own reconnaissance, you understand, was limited entirely to Korea; but the general information which was available, from China and other places, indicated large accumulations of troops. The Red Chinese, at that time, were putting out, almost daily, statements that they were not intervening, that these were volunteers only."

"About the middle of September" (1950), MacArthur went on, "our Secretary of State announced that he thought there was little chance, and no logic, in Chinese intervention. In November our Central Intelligence Agency here had said that they felt there was little chance of any major intervention on the part of the Chinese forces." (Ibid)

MacArthur continued: "Now, we ourselves on the front realized that the North Korean forces were being stiffened, and our intelligence, made just before General Walker launched his attacks, indicated they thought from 40,000 to 60,000 men might be down there." (Ibid) (Whether that figure included both Chinese and Korean troops, or only Chinese troops, was not indicated by MacArthur.)

MacArthur, generalizing about the nature of intelligence, went on

to say: "Now you must understand that the intelligence that a nation is going to launch war is not an intelligence that is available to a commander limited to a small area of combat. That intelligence should have been given to me." Ibid. (Whether MacArthur was actually receiving CIA's estimates and CIA's Weekly and Daily Summaries during this period July-December 1950 is not indicated in the hearing.)

Commenting further on intelligence sources available to him, MacArthur suggested that the British had better intelligence from the Defense Department, and that CIA and other Washington agencies were withholding information from him that they had obtained or could obtain from outside his own Far East theater of operations. Thus, he went on: "The agencies that the controlling powers had, which received reports from all over the world, from all the nations of the world, which had it--the British Secret Service had every secret service of any of the allies at his disposal, which were not at mine--gave a much wider and a much broader basis upon which to make those concepts." (Ibid.)

Whether MacArthur depended on intelligence at all is not clear. Thus Senator Russell asked MacArthur whether he deployed his troops on the intelligence "assumption" that there would be "no intervention by a considerable number of Chinese," and MacArthur replied emphatically "no". His troop dispositions were based instead, he said, "upon the basis of the enemy that existed, and the orders that I had to defeat them. That enemy was the North Korean group, and our forces had practically destroyed them. We would have completely destroyed them, if the Chinese had not intervened. We were limited...by the two conditions: the size of the force I had; and the mission that was given me...to clear out all

North Korea, to unify it, and to liberalize it....as a matter of fact, the disposition of those troops, in my opinion, could not have been improved upon, had I known the Chinese were going to attack. The difficulty that arose was not the disposition of the troops, but the overwhelming number of the enemy forces, and the extraordinary limitations that were placed upon me in the use of my Air. Had I been permitted to use my Air, when those Chinese forces came in there, I haven't the faintest doubt we would have thrown them back...."

Senator Russell asked again, "Did I understand you correctly, General, when you said,...had you known the Red Chinese were coming in in great force, that you would have had exactly the same disposition of troops that you did have?" MacArthur replied, "I don't see how I could have done anything else, Senator. You understand, it was a calculated risk from the day we entered in Korea on June 27; the calculated risk was whether China or the Soviet would intervene. In the face of that risk, which I had nothing to do with, you understand, I was ordered with these forces I had to clear North Korea....now when the doubt arose as to whether the enemy was concentrating great forces there, we had three alternatives; one was to ascertain the truth of the strength of what we had; the other was to sit where we were. The third was to go in precipitate retreat....Now what we actually did was to move forward to ascertain the strength of the enemy's forces....What we did was really a reconnaissance in force. It was the only way we had to find out what the enemy had and what his intentions were."

MacArthur then repeated, again, that "If I had known the Chinese troops were there I couldn't have done any differently. If I had started the withdrawal--it is exactly what I did, just as soon as we ascertained the truth and the plans were all made."

With reference to the problem of contemporary records vs. later historical recollections of MacArthur's Wake Island conference with President Truman on 15 October 1950, MacArthur was reminded, at the Senate hearing in May 1951, that General Bradley had sent him copies of the minutes. MacArthur acknowledged receiving those minutes on about 27 October 1950, but, he said, "I did not read the copies....I merely put it in the file. I have no idea...whether it was authentic....By that time Senator, that incident was about as dead as the dodo bird." But, MacArthur added a moment later, "I have no doubt in general they are an accurate report of what took place."

With reference to MacArthur's intelligence estimate made to President Truman in October 1950, at the Wake Island conference, in which MacArthur doubted the probability of Chicom intervention, MacArthur was quoted later (21 April 1951, a few days before he appeared at the Senate hearings) as recalling that no one in the entire U.S. Government had the "slightest idea" that Communist China would intervene in Korea. In an authorized statement for him, 21 April 1951, issued in New York City by his "military secretary" (General Whitney), MacArthur goes on to say that "At the time of the Wake Island conference, as far as I know, no one had the slightest idea that such a decision of intervention would be made by Red China. As far as I know, neither the State Department nor higher intelligence agencies of the Government had the slightest evidence to warn of such a decision. Certainly, no such warnings were given to MacArthur. To the contrary, all appeared to discount the possibility of such intervention at that stage...." Elaborating orally on MacArthur's prepared statement to the press, Whitney said that, so far as the Chinese intervention issue was concerned, President Truman "produced nothing from his better sources of information

beyond what the Army had." (New York Times, 22 April 1951.)

On the other hand, MacArthur's other chief assistant, General Willoughby, was quoted as follows, in a press interview on 1 June 1951, a few weeks after General MacArthur's appearance before the Senate committee. In that interview, Willoughby denied that Chicom intervention in Korea had been a "monumental surprise" to MacArthur's headquarters. "That is not the case....Chinese troops were known to be along the Yalu River....Their build-up inside Korea was known, but not in detail." What his headquarters did not know, Willoughby added, was "whether or not the Chinese meant business--entry into the war on a large scale." The "only way" to get that kind of intelligence, Willoughby asserted, was by a "reconnaissance in force"--to take prisoners, capture maps and orders, and "slice into the threatening Chinese mass and break it up." (AP dispatch, quoted in the Centralia, Ill., Sentinel, 2 June 1951.)

MacArthur recalled (4 May 1951, at the Senate hearing) that in November (?) 1950 he expected to gather more intelligence on Chinese intentions by what he called a "reconnaissance in force". "The reconnaissance would have developed the strength of the enemy. If it was not sufficient to resist us, it would have been an all-out assault (by US-UN forces) and, as I explained in my communique, it would have undoubtedly destroyed the last remnants of the North Korean forces. Where a reconnaissance in force--the line between a reconnaissance in force and an assault attack is a rather nebulous one and depends upon circumstances. What starts out as a reconnaissance in force might well result in a full-scale assault so far as your forces are concerned." (New York Herald-Tribune, 5 May 1951.)

Regarding President Truman's statement (3 May) that MacArthur had

not cooperated with CIA in the Far East, on a question raised by Senator Knowland, MacArthur said (4 May; ibid.): "That statement is all tommyrot. Every possible assistance has been given by me to the Central Intelligence Agency. The only thing I insisted upon was that the Central Intelligence Agency, when they came into the theater, would not act surreptitiously so they would coordinate with my own intelligence. I have given them every possible assistance."

Replying to a question by Senator Flanders, for General MacArthur's general estimate of Soviet intentions, MacArthur said: "My belief is that the basic plan of the Soviets are pitched upon a much broader basis than an incident which might occur in Korea or even in Asia itself. As I said before, I believe the Soviet has two fundamental basic choices, either she is going to attack or she is not going to attack; and I do not believe that what happens in Korea will tend to shape the world-wide global policies that they may enter upon." (Ibid.) Giving his estimate of Sino-Soviet relations, MacArthur said (in reply to a question of Senator Fulbright): "I believe there is an interlocking of interest between the Communist China and the Kremlin. The degree of control and influence that the Kremlin may have in China is quite problematical." (Ibid.)

On MacArthur's alleged non-cooperation with CIA in the Far East, Senator Morse asked him (5 May 1951) whether the two agents, mentioned by President Truman, were barred from "your intelligence files" and were ordered not to have access to the Korean battlefield, some time before General Smith's trip to Tokyo in January 1951. MacArthur replied, "pure bunkum, Senator." (N. Y. Times, 6 May 1951.) The "only" problem of having additional assistance besides theater intelligence, MacArthur said, is "that there should be proper coordination between his own intelligence service and the CIA."

The CIA out in my command has worked in complete unity and with my Chief of Intelligence, General Willoughby, G-2." (Ibid.) Replying to a further question by Senator Morse, MacArthur asserted that the purpose of General Smith's trip to Tokyo (Jan. 1951) "was to perfect and expand the CIA; it was not to iron out any friction, it was not because of any difficulties. It was largely due to expanding and increasing the effort that was being made to gather intelligence." Pressed further by Morse, whether there was any "friction" between CIA and Willoughby, MacArthur said, "Nothing that would not be normal and minor, nothing that ever reached me." Pressed further again, by Morse, whether CIA was "denied access" to "whatever intelligence your intelligence system could supply," MacArthur replied: "That would be ridiculous." (Ibid.)

With respect to indications and estimates of Sino-Soviet intentions in Korea in 1950 and early 1951, MacArthur expressed his opinion and recollections as follows (in a reply to a further question by Senator Morse, 5 May 1951):

"I don't believe that the Soviet has sufficiently associated itself with the war in Korea to believe that the defeat of Red China to the extent of her being forced to evacuate Korea would necessarily produce great prejudice to the Soviet cause in other parts of the world. It has been quite apparent to me, Senator, that the linking of the Soviet to this Korean war has paled out as the events have progressed.

"When this was first started, there wasn't any special thought# of Red China intervening. The entire thought of the world, and anxiety of the world, was that the Soviet might intervene, but as time has progressed, the conjunction of the Soviet to this campaign has receded rather than increased.

"At that time we were all looking for a big Russian mission there. We were looking for various Soviet indications of engaging in the combat.

"On the contrary, the Soviet, even when we accidentally bombed one of her fields and admitted it and apologized and disciplined the officers involved and offered the Soviet compensation, they didn't even take the trouble as far as I know to collect any compensation. They dropped the issue.

"We have gone close to their border there without, as far as I can ascertain, or my intelligence, the slightest increase of their troops on the sector between North Korea and Siberia. I have seen no indication of the Soviets' desire to identify themselves increasingly with this Korean campaign. They have at Lake Success and the chancellories of the world. They have been the spokesmen, but out on the battlefield it has been quite the contrary."

Recollections by MacArthur in 1954

In 1954 General Willoughby and John Chamberlain, undoubtedly reflecting General MacArthur's opinions, published the authorized edition of MacArthur's Memoirs, "MacArthur, 1941-1951". With reference to Chinese intervention, they concluded (p. 378) that what "undoubtedly...tipped the scales in Red China's future decisions" (that is, its intentions with respect to intervention in Korea) was "the amazing order from Washington, issued to the Seventh Fleet in June (1950), to 'neutralize' Formosa." This order, they say, "released two great Red Chinese armies...for transfer elsewhere," that is, to Manchuria. Sometime after June 1950, Willoughby asserts, these armies "were reported to be moving north toward Manchuria." This "concept of sanctuary immunity", Willoughby concludes, "undoubtedly tipped the scales in Red China's future decisions." (No documentation is offered by him, however, either from any contemporary intelligence or any post-intervention intelligence analysis which led to this conclusion.)

On 27 August 1950, "MacArthur's intelligence summaries...contained a miscellany of highly suggestive and completely ominous reports from Chinese Nationalist channels," so Willoughby recalled in 1954 (p. 380). Among the indications of Chicom intervention quoted by him (apparently verbatim) were the following: a "high level meeting" in Peking; the appointment of a Chicom commander for North Korea; and various Chicom troop movements.

At "a later date", that is, sometime after 27 August (but the exact date is not indicated by the editors), MacArthur himself is quoted as saying that it is "now plainly evident" that Chinese intervention "was responsive to basic decisions reached even before the North Korean attack

last June." It is "perfectly clear now" that, regardless of any U.S. crossing beyond the 38th parallel, "the Chinese forces would have been utilized to rectify the situation resulting from the North Korean defeat." MacArthur is quoted as saying that it would be "naive indeed" to "believe" that such an imaginary line as the 38th parallel "would have influenced the Chinese in the slightest degree." (Willoughby does not identify this document in the context in which it was originally produced, and the significant word "now" is not dated. Whether this considered conclusion by MacArthur was expressed by him before or after the actual intervention, or before, during, or after the heat of public controversy, and whether this was a conclusion expressed privately or uttered publicly--none of these questions are answered by Willoughby.)

Regarding MacArthur's Wake Island conference with President Truman on October 15, 1950, certain otherwise identified "staff notes" of that conference are quoted verbatim by Willoughby, as follows: "The item of Chinese intervention was brought almost casually. Truman and his advisers had known from intelligence reports for some time that a build-up of Chinese forces in Manchuria was a fait accompli. On October 5 G. H. Q. reported 18 Red Divisions along the Yalu, while an over-all total of 38 Divisions was carried in Manchuria...To determine if the Red hordes were on the move or not, by day or night, was made impossible by Truman's own suicidal orders that kept our planes twenty miles south of the river border. It was the general consensus of all present that Red China had no intention of intervening. This viewpoint had previously been advanced by the Central Intelligence Agency and Secretary of State Acheson....General MacArthur's views were asked as to the chance of Red China's intervention. He replied that the answer could only be 'speculative'; that neither the State Department through its diplomatic listening posts abroad, nor the

the Central Intelligence Agency to whom a field commander must look for guidance as to a foreign nation's intention to move from peace to war, reported any evidence of intent by the Peiping government to intervene with major forces; that his own local intelligence (which he regarded as unsurpassed anywhere) reported heavy concentrations near the Yalu border in Manchuria whose movements were indeterminate; that his own military estimate was that with our largely unopposed air forces, with their atomic potential capable of destroying at will bases of attack and lines of supply north as well as south of the Yalu, no Chinese military commander would have dared hazard the commitment of large forces upon the Korean peninsula. The risk of their utter destruction through lack of supply would be too great."

Another ^{contemporary} "staff commentary" by MacArthur's headquarters (not dated) is quoted: "How little did MacArthur realize that by one process or another it would be conveyed to the Red Chinese that even though they entered the fray in large forces, it would be under the sanctuary of being immune from any destructive action by our military forces within their own areas....That the Red Chinese commander apparently knew such a decision would be forthcoming while General MacArthur did not, represents one of the blackest pages ever recorded."

Meanwhile, between early June and late October 1950, Willoughby says (p. 385), there were "continuing evidences" of Chicom troop movements. "As early as June 5" a G-2 report indicated that North Korea "received reinforcements from the Chinese Communist Forces through Manchuria." "This was the first of a continuous succession of reports and comments on the Chinese potential," Willoughby says. There follow (pp. 385-387) quotations of various indications of Chicom capabilities and intentions, from 6 June to

28 October 1950, taken from the Tokyo "Daily Intelligence Summaries." On 14 October, is added this considered estimate by MacArthur's headquarters: "Re the fine line of demarcation between enemy 'intentions' and enemy 'capability', recent declarations by Chinese Communist leaders, threatening to enter N.K. if the Americans were to cross the 38th parallel, are probably in the category of diplomatic blackmail. The decision is beyond the purview of combat intelligence: it is a decision for war on the highest level, i.e., by the Kremlin and Peiping." (p. 386).

Willoughby goes on to say, (p. 387), that "Military-political research dealing with the intentions of a foreign nation normally was handled by the State Department or the Central Intelligence Agency."

He then quotes a report which he calls "a curious example of controversial Washington reporting on this elusive topic; it was obviously 'planted'." This report, Willoughby says, was mailed to Tokyo on November 21 and "took more than a week to reach Tokyo", but it is not otherwise identified by Willoughby, (whether it was a classified official report, a newspaper report, or a personal letter is not indicated.) The report, he says, "conceded" that evidence of intervention of "serious proportions" was present but "concluded" that "there was no evidence available that the Chinese were committed to an all-out military action." The unidentified report, as Willoughby quotes it, is as follows (pp. 388-9):

"Many people in Washington including several European Diplomats know of an overall intelligence report on Korea prepared by the Central Intelligence Agency. This report took a very grim, foreboding view of the numbers and intention of the Communist Chinese in Korea. Completed on November 21, it was available to MacArthur's staff before the offensive was launched."

In any case, Willoughby continues (p. 388), MacArthur took steps "to force the enemy to tip his hand: MacArthur's attack of November 24 was a reconnaissance in force but with freedom of action to advance or withdraw."

Recollections by MacArthur in 1955

General Courtney Whitney's forthcoming book, "MacArthur's Rendezvous with History", serialized in Life Magazine in August and September 1955, deals in passing with the Chinese intervention intelligence issue. The prefatory note to the Life articles states that the "interpretations...set forth by General Whitney are presented as the authoritative answers of General MacArthur." The excerpts below are from Chapter IV, "The War MacArthur Was Not Allowed to Win":

"But the best example of how the Administration used the Wake Island conference against MacArthur is shown by the President's charge that the general had given him "assurance" that the Chinese Communists would not enter the Korean war.

"Here is what both Truman and MacArthur said on the subject:

"Truman asked, 'What are the chances for Chinese or Soviet interference?'

"MacArthur replied that his answer would be purely speculative but that his guess would be "very little." MacArthur proceeded from the premise, which the others present knew, that there was no evidence from Peking that Red Chinese intervention was under serious consideration. No intimation of such a possibility had been communicated to him by Washington. And field intelligence, badly handicapped by the orders of the Joint Chiefs of Staff to restrict air reconnaissance to North Korea, could furnish no reliable clue.

"But what is most important about the entire discussion is an understanding of the military assumptions upon which MacArthur was naturally basing his qualified guess. It seemed to him at the time, as indeed it still does today, that if an enemy attacked our forces, we would immediately retaliate. This would appear to be so obvious an axiom that it did not even

need to be stated. If the Chinese intervened, we could use our undisputed air and naval superiority at the very outset to establish an effective blockade of the Chinese coast and launch destructive blows against Red China's Manchurian bases of supply.

"We were not pretending that the units of our Navy and Air Force were blockading and bombing the North Korean enemy only in South Korea. We had responded to the North Korean attack by carrying the war to the enemy in North Korea. MacArthur naturally assumed that in the case of China we would do the same.

"It never occurred to MacArthur to question President Truman and his advisers on whether or not they intended to take such a course. It would have been like asking if we intended to fight the enemy with guns or with bows and arrows.

"Why this obvious point eluded the President and his military advisers MacArthur will never know. But it could not have eluded the Chinese generals; of that MacArthur is sure. It follows, then, that there can be only one circumstance under which the Chinese did finally decide to enter the Korean war: someone must have told them what no one told MacArthur. Someone must have told them that even if the Red Chinese swarmed across the Yalu into North Korea in overwhelming hordes, even if they slaughtered U.N. soldiers by the thousands on the battlefield and in the prisoner of war camps, the U.S. Government would meekly decline to retaliate and the Reds' staging and supply area in Manchuria would remain a sanctuary.

"Despite false charges to the contrary, MacArthur did not predict unequivocally that the Chinese would not enter the Korean war. And it is of interest to note that so convinced were the President's advisers that there

would be no intervention that General Bradley asked MacArthur when he thought he could spare a division for Europe. MacArthur estimated that the North Korean enemy might well be defeated in time for the Eighth Army to leave Korea by Christmas. And the plans for the political unity of Korea and its postwar government and rehabilitation were discussed as a matter for the immediate future.

"After MacArthur and the President had met and started to converse, the general was sure that the conference would prove a constructive one. MacArthur liked Mr. Truman from the start and was delighted with his engaging personality. It was only later, when Mr. Truman made his amazing charge that MacArthur had misinformed him on the possibility of Red Chinese intervention, that MacArthur understood what the Wake Island meeting actually was: a sly political ambush."

The US 8th Army's "first" combat intelligence on Chinese Communist troops in Korea came after the action on the night of October 26, 1950 (p. 68). "Then came the dread news: prisoners taken...indicated for the first time that an estimated minimum of three divisions of Red Chinese had joined the battle."

Secretary of State Acheson's Recollections in June 1951,
together with Quotations from Records of 1950

At the Senate committee hearing on 3 June 1951, Secretary Acheson replied at length to questions by Senator Saltonstall on what Saltonstall called "the lack of accurate intelligence" regarding CHICOM intervention in Korea in 1950. (Verbatim transcript of hearing in New York TIMES, 4 June 1951.) Some of these replies were from memory, while others were apparently quoted either from original documents available to the State Department in 1950 or from historical studies made for his use in the Senate hearings in 1951. The verbatim transcript of 4 June 1951 is as follows:

"The general state of information which came to us," Acheson recalled, "I think I can describe this way -- that in the period from the 25th of June to the 23d of September, the general intelligence estimates which were put together, regarded intervention as improbable, barring Soviet decision to precipitate global war.

"That was the conclusion which was drawn from all the bits of information that came in.

"From Sept. 23rd to the 26th, it seemed that the same result was probably true.

"Now, I have to caution about all of these things, that one should not suppose that when you make a conclusion of that sort, that then turns into fact.

"This is one's best guess, as to someone's intentions.

"You also have information as to the capability of the other people, and the capability of intervention always existed and you have to make a decision as to whether you think it is possible or probable; and the general view was that it was improbable and everyone continued to express the idea that you couldn't dismiss the possibility.

"At the end of September, there were reports which were sent out through the Government of India, that statements had been made to their representatives by Chinese officials that if we crossed the Thirty-eighth Parallel they would intervene.

"Those were important matters to be considered, and they were considered; and on the 3rd of October, for instance, the Chinese Communist foreign minister informed the Indian Ambassador, at Peiping, that if we crossed the Thirty-eighth Parallel, China would send troops to the Korean frontier to defend North Korea.

"That was a cryptic statement made by him. He said that this action would not be taken if only South Korean troops crossed the parallel.

"That was a matter which had to be given very considerable attention, and information to that effect was sent to General MacArthur.

"At the time this statement was made, the United Nations was preparing to vote on its resolution, finally adopted by the General Assembly on October 7. It was acted on by Committee One, on Oct. 4, so that you also have to keep in mind that perhaps this statement was put out to have some effect on the vote.

"It went on in October. Other officials of other nations reported similar statements coming out of Peiping, by Chinese officials.

"On Oct. 10, this was put out on the radio from Peiping as a statement of their intentions.

"The general view still remained, on October 12, that while it was a possibility, and you have to keep it in mind, they did not think it was a probability.

"At the time of the Wake Island meeting, there was consideration of this, and it was considered unlikely.

"On the 19th of October, the State Department came to the conclusion that it was unlikely but said they could not be dismissed, these threats could not be dismissed as mere bluff.

"On the 26th of October, the first Chinese prisoner was captured, so that you began to know, at that point, that something was happening.

"On November 4, the Commander in Chief, Far East, in an intelligence appreciation, stated that while Chinese Communist intervention was a distinct possibility, sufficient evidence was not at hand to warrant immediate acceptance.

"On November 5, General MacArthur, in a special report to the United Nations, reported that U.N. forces were 'in hostile contact with Chinese Communist military units', so the thing begins to be more and more known.

"On November 6, supplementing his report, General MacArthur, in his communication of November 6th, reported the destruction of the North Korean armies, but that U.N. forces were now faced with a new and a fresh army, 'backed up by a possibility of large enemy reserves and adequate supply.'

"That was on the 6th of November.

"On the 7th of November, the Commander in Chief, Far East, in an intelligence appreciation stated that if immediate enemy build-up continued, that that ^{might} prevent any further advance and might even force

a retrograde movement.

"On November the 8th, the general view here in Washington stated the Communist objective 'was to halt the advance of the U.N. forces in Korea and to keep a Communist regime in being on Korean soil.'

"From November 8 onward, the United Nations Security Council members took immediate cognizance of that intervention as a military and political fact of grave importance and talked about it a great deal.

"On November 24, we concluded here in Washington that the Chinese objective was to obtain United Nations withdrawal by intimidation and diplomatic means, but in case of failure of these means there would be increasing intervention, and it was said that there was not available evidence sufficient for a conclusion as to whether the Chinese Communists were committed to a full scale offensive effort.

"On November 24, General MacArthur's special communique to the U.N. said:

'The giant U.N. pincer moved according to schedule today. The Air Forces, in full strength, completely interdicted the rear areas and an air reconnaissance behind the enemy line, and along the entire length of the Yalu river border, showed little sign of hostile military activity. The left wing of the envelopment advanced against stubborn and failing resistance. The right wing, gallantly supported by naval air and surface action, continued to exploit its commanding position.

'Our losses were extraordinarily light. The logistic situation is fully geared to sustain offensive operations. The justice of our

course and promise of early completion of our mission is reflected in the morale of troops and commanders alike.'"

"On Nov. 28, General MacArthur's special communique to the United Nations said:

'Enemy reactions developed in the course of our assault operations of the past four days disclose that a major segment of the Chinese continental armed forces in army, corps and divisional organization of an aggregate strength of over 200,000 men is now arrayed against the United Nations forces in North Korea * * *.

'Consequently, we face an entirely new war.'

"That was a development of the Intelligence. There is one part of it that I think ought to be pointed out.

"You have two problems here, in the Intelligence field. One was to try and work out an appreciation of the intention, whether the Chinese intended to come in, and would come into North Korea.

"The other one was to get information from the theatre as to what they could do, if they came in, and in what numbers, and how serious that would be.

"The estimates of intention turned out to be wrong, although from October onward, there was increasing evidence that they could --

SENATOR SALTONSTALL -- As of Nov. 24, the determination here was that the Chinese would probably not come in; is that correct?

SECRETARY ACHESON -- No, On Nov. 24 the view here was that the Chinese objective was to obtain U.N. withdrawal by intimidation and diplomatic means, but in case of failure of these means there would be increasing intervention. Available evidence was not considered conclusive as to whether the Chinese Communists were committed to a full-scale offensive

effort.

"They were in there, all right, but whether they were committed to a full-scale offensive effort was not known.

"The other thing that in Intelligence was important was what would happen, what were the possibilities, if the Chinese came in; and the report of the Wake Island meeting, and General MacArthur's estimates follow:

'Had they interfered in the first or second months' -- this is the Korean operation -- 'it would have been decisive. We are no longer fearful of their intervention. We no longer stand hat in hand. The Chinese have 300,000 men in Manchuria. Of these probably not more than 100,000 to 125,000 are distributed along the Yalu River. Only 50,000 to 60,000 could be gotten across the Yalu River. They have no air force. Now that we have bases for our Air Force in Korea, if the Chinese tried to get down to Pyongyang, there would be the greatest slaughter.'

That turned out to be an error that they could only get 50,000 to 60,000 across the river, and if they tried to get down to the south, there would be great slaughter. They did and in considerably larger numbers.

SENATOR SALTONSTALL -- They really fooled us when it comes right down to it, didn't they?

SECRETARY ACHESON -- Yes, sir.

SENATOR SALTONSTALL -- I have no further questions."

RECOLLECTIONS BY DEFENSE DEPARTMENT OFFICIALS IN MAY 1951

The U.S. Government's intelligence estimating on Chinese intervention in Korea in 1950 was discussed by various Defense Department officials in May 1951, at joint hearings of the Senate Foreign Relations and Armed Services Committees. The excerpts below are from the verbatim transcript published in the New York Times, unless otherwise indicated.

General Marshall, who had replaced Louis Johnson as Secretary of Defense in Sept. 1950, was the first of them to appear, 7 to 13 May 1951. After listening to all of General MacArthur's testimony, and now all of the preceding testimony of General Marshall, Senator Saltonstall concluded (9 May 1951) that "it appears to me that the difference between the Administration's policy...and General MacArthur's opinion really boils down to a clash of opinion as to the Soviet's intentions, and the Soviet's capabilities for waging war in the Far East. Do you agree that that is the basis of the difference inbetween you?

SECRETARY MARSHALL:

That is the principal basis of the difference of opinion--as to what is the proper course to follow.

SENATOR SALTONSTALL:

And that comes down to really a question of trying to interpret the Soviet's intentions, and trying to determine from our knowledge, through our intelligence, of his capabilities in the Far East for waging war, an aggressive war, rather than purely defensive, and as to his intentions of putting those capabilities to work; is that not about it?

SECRETARY MARSHALL:

Including his relations with the Chinese Communist regime, which is an important factor; but you mention the dominant factors."

Replying to a further question by Senator Saltonstall, Secretary Marshall repeated (what he apparently had asserted the day before) that: CIA's reports and evaluations were regularly disseminated by the Defense Department to UN Command Headquarters in Tokyo, in 1950 as well as currently.

After commenting at length (on 13 May 1951) on the dangers to effective intelligence work by publicity (of the kind that was being aired in the current hearing), Marshall recalled the intelligence available in November 1950: "In November, so far as our information was concerned that I was aware of, there was a build-up in the number of planes that the Chinese Communists were reported to have in Manchuria; but later on in January and and particularly March, there were indications of a very decided build-up, which added to the threat of a very effective retaliation, but that was not the case in a large way, as I recall the information, in November."

In still another part of the hearings (12 May 1951), Secretary Marshall denied that he withheld any CIA reports from MacArthur on Communist Chinese intervention. He said: "I have checked very carefully to see that all the information from the CIA went to his headquarters, and I presume, of course, he either saw it specifically, or it was briefed for his attention."

(Baltimore Sun, 13 May 1951.)

General Bradley, Chairman of the Joint Chiefs of Staff, testified at the Senate committee hearings from about 19 May to 23 May 1951. (Only the transcripts for 23 May were available at the time of this study.)

Bradley was questioned by Senator Smith about MacArthur's "terrible blunder on his part that he didn't know" that Communist China would intervene, and was asked: was "MacArthur's Intelligence Staff" to blame, or was it CIA, or "where was it"? Bradley replied: "The intelligence on which he had to base his decision had to be primarily field intelligence."

"Now, there were evidences from captured prisoners of from late October that Chinese had come in to some extent into the operation."

"Then, on Nov. 6, General MacArthur sent in a message that the Chinese were pouring across the bridges across the Yalu, and they were coming across in great numbers. That was on about Nov. 6."

"Now, what happened between Nov. 6 and the time that he was hit by the Chinese attack of about Nov. 26 or 28--the twenty-sixth, I guess--it is hard for us here to know, because a lot of that intelligence should have come from his own field command."

"That concentration on the right flank of the Eighth Army should have been picked up by air reconnaissance and ground reconnaissance; in other words, by patrol and aviation put in there."

"How much of that he had, Senator Smith, we don't know here, because

we don't get all the field intelligence that a commander gets in the field and acts on. But certainly there was enough coming in to indicate that there was a considerable Chinese build-up somewhere in North Korea.

Q. -- "Was MacArthur prevented from sending reconnaissance planes across the border in Manchuria to see whether there were accumulations there of troops?

A. -- "We knew all the time that there were concentrations in Manchuria. It was a question of how many of them had moved over into Korea, and that, as I say, could have been obtained or should have been obtained by air reconnaissance and ground reconnaissance.

"Now, you must realize, of course, also, that that country in there is very heavily wooded by evergreens, and it is rather difficult to pick up troops and, as I say, it is very hard to sit here in Washington and say he should have known or just what he did know. That is up to the field commander, and I certainly would not blame him or G-2^{for} anyone else for the fact that he may have had certain information and may have evaluated it wrong."

"Bradley went on to say that General Collins, Army Chief of Staff, would testify further on the intelligence issue, "because he is the executive agent (of the JCS) who passes on to General MacArthur's headquarters all the intelligence information,...and he will tell you exactly what he sent." (N.Y. Times, 24 May 1951.) (Such a complete listing was apparently not, however, published, in the subsequent hearings.)

General Collins testified on 24 May 1951, but the full transcript of his testimony was not available at the time of the present study. Walter Trohan of the pro-MacArthur Chicago Tribune (26 May 1951), said that Senator Connally questioned Collins whether CIA or MacArthur's headquarters had

"primary responsibility" for "the military intelligence that would have shown the Chinese Reds intended to enter the war last fall." Trohan added, without comment: "Collins...asserted the primary responsibility was MacArthur's." Later in the hearing, which (like the entire hearing) dealt largely with a variety of non-intelligence issues, Senator McMahon again pressed Collins on the intelligence situation in the fall of 1950. Collins' reply, as Trohan reported it, was as follows: "Collins said that virtually all the intelligence the Pentagon had came from the far eastern command. He paraphrased a message from MacArthur," dated 6 November 1950, 18 days before the Chinese Communists attacked in Korea, "in which MacArthur said men and material in large force were pouring over the Yalu river bridges from Manchuria."

General Vandenberg, Chief of Staff of the U.S. Air Force in 1951 (as in 1950), and, incidentally, a former Director of Central Intelligence, ^(before 1950) was questioned by the Senate committee on 29 May 1951. The partial transcript of his remarks (N.Y. Times, 30 May 1951) does not, however, contain any recollections by him on the particular issue of intelligence estimating of Communist China's intentions in Korea in 1950.

EDITORIAL AND POLITICAL COMMENT, JANUARY-JUNE 1951
ON INTELLIGENCE ESTIMATING ON CHICOM INTERVENTION IN 1950

In January 1951 the Intelligence Digest editorialized that "Chinese intentions...were not a matter for local intelligence." The "failure correctly to appreciate the Korean situation was in quarters far higher than MacArthur's local military intelligence. He relied...on...CIA... and it was there that the fundamental mistakes were made that led to local tactical disaster. A thorough reorganization of the CIA is needed... and much closer collaboration with the intelligence services of other countries...."

On 26 January 1951 the U.S. News and World Report said that General Smith is now "taking hold" of U.S. intelligence in Korea. "A conclusion was reached," the magazine alleges, "that appraisals of the military situation in the past had been tailored so that...MacArthur would get what he would like to hear rather than what the facts really indicated."

On 31 January, Drew Pearson alleged (in the Washington Post) that "poor intelligence" on the threat of Chinese intervention was one of seven major "errors" in the Korean war to date. He alleged that "MacArthur repeatedly and categorically cabled Washington that the Chinese were bluffing and would not enter the war." These estimates by MacArthur were "contrary" to CIA reports, "contrary" to statements of Defense and State Department officials, and "contrary" to the warnings of the British and French.

On 23 April, the London Times reported having heard that CIA "produced a warning some days before" the Chinese Communist offensive was launched, "which was seen and rejected by Tokyo" headquarters. The

Defense Department in Washington, said the Times, was "less" confident (than the command headquarters in Tokyo) that Communist China would not intervene.

On 24 April, David Lawrence, in the New York Herald-Tribune, defended MacArthur's bad guess (at the Wake Island conference with President Truman in October 1950) that CHICOM would not intervene, with this assertion: "Actually, General MacArthur had no other information except that furnished him by the Central Intelligence Agency of our government, which presumably has informants around the world, and that which came from the Department of State."

On 24 April, Walter Winchell (in the Washington Post) quoted warnings of CHICOM intervention that he said he had published in his column "two months before" the Chinese invasion, or "one month before" the Wake Island conference. Apparently he referred to one or more columns of about 17 Sept. 1950. (These have not been checked for purposes of this study.)

On 24 April, Neal Stanford, in the Christian Science Monitor, said that "the record will show, there is reason to believe, that much of Washington's failure to expect a Chinese Communist attack in Korea stemmed from the reports it was getting from General MacArthur's headquarters belittling such a development."

Mark Watson of the Baltimore Sun, and an unnamed editorial writer in the Washington Evening Star, were each quoted (in May 1951) as having publicly warned, in November 1950, of the pending intervention by Communist China. These newspapermen were quoted by Richard Wilson in Look magazine, 8 May 1951, as follows. Watson was said to have published sometime before the military attack on 24-26 November 1950, "an elaborate

warning of a Chinese build-up in Manchuria, clearly indicating an offensive operation on a large scale." Similarly, the Washington Evening Star declared at about that time that Communist China "would soon launch an offensive with 2 00,000 troops." (The two original articles referred to have not been seen in this study.)

On 14 May, Tris Coffin (in the New Republic) reported on what was said to be a "confidential briefing for the Senate Armed Services Committee" about 1 November 1950, at which General Gruenther, then one of the Pentagon's "top strategists," is said to have "pieced together a tragic lack of alertness by the MacArthur command." At that briefing it was supposedly revealed that "there were 260,000 Chinese Communist troops on the Korean border." Coffin editorialized that "the General's failure properly to evaluate Chinese intervention at this time was the major blunder of the war."

CHRONOLOGY OF KOREAN WAR 1/

1950

- 25th June North Korean Armed Forces crossed the 38th Parallel and attacked the Republic of Korea.
- 27th June Security Council of the United Nations, through President Truman, called upon all members of the United Nations to render aid to the Republic of Korea.
- 30th June North Korean Armed Forces captured Seoul. First American troops landed in Korea.
- 3rd July Inchon captured by the enemy.
- 4th July Suwon captured by the enemy.
- 7th July General Douglas MacArthur appointed Supreme Commander of all United Nations Forces in Korea.
- 20th July Taejon captured by the enemy and Major-General Dean taken prisoner.
- 25th July The port of Pusan threatened by the enemy.
- 30th July Start of the United Nations stand in the Pusan perimeter.
- 4th August Enemy bridgehead established across Naktong River near Pusan.
- 6th August Enemy threat developed against Taejon, the location of H.Q. Eighth US Army.
- 29th August 27th British Infantry Brigade landed in Pusan from Hong Kong.
- 1st September Start of an all-out attack by the enemy to break into the Pusan bridgehead.
- 15th September United Nations Forces landed at Inchon.
- 16th September Eighth US Army started an offensive to break out from the Pusan bridgehead.
- 17th September I US Marine Division recaptured Kimpo airfield near Seoul.

CHRONOLOGY OF KOREAN WAR (contd)

1950

19th September Start of the collapse of enemy resistance around the Pusan bridgehead.

25th September Enemy in full retreat northwards from Pusan.

28th September I US Marine Division recaptured Seoul.

1st October Enemy in full retreat across the 38th Parallel.

7th October General Assembly of the United Nations authorized the United Nations Forces to pursue the enemy into North Korea.

10th October Wonsan captured by troops of I ROK Corps.

19th October Pyongyang, the capital of North Korea, captured by the United Nations Forces.

20th October Troops of 10 Corps started landing at Wonsan.

1st November Forward elements of the United Nations Forces reached positions along the Yalu River.

2nd November First identifications obtained of Chinese Communist Forces in Korea.

26th November Chinese Communist Forces launched their first offensive against the United Nations troops, forcing them to start a withdrawal.

27th November Start of a deep penetration of the United Nations line in the area of Tokchon, which threatened the right flank of the Eighth US Army.

4th December Pyongyang recaptured by the Communists. United Nations Forces in full retreat.

11th December Retreat of 10 Corps to the Hungnam bridgehead completed.

15th December United Nations Forces endeavoured to establish a defensive line in the area of the 38th Parallel.

23rd December Evacuation of 10 Corps from Hungnam completed.

27th December General Matthew B. Ridgeway assumed command of the Eighth US Army, in succession to General Walker, killed in a road accident.

CHRONOLOGY OF KOREAN WAR (contd)

1950

29th December Large concentrations of enemy troops reported in front of the United Nations positions along the 38th Parallel.

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Thomas, Major R. C. W., "The War in Korea, 1950-1953" (Aldershot, Gale and Polden Ltd; 1954)

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Appendix B

KEY TO PUBLICATIONS CONSULTED

1. The "ORE" Series

Estimates with the short title "ORE" were published by CIA up to October 1950 when the short title was changed to "CIA/RE" and then to "NIE". All items in the "ORE" series were "coordinated" with the IAC. (Classification according to circumstances.)

2. The NIE Series

This short title was adopted after the establishment of O/NE. All estimates in this series were approved by the National Estimates Board and examined in council by the IAC. (Classification according to circumstances.)

3. SE's

Before the establishment of O/NE this short title stood for "Special Evaluations" which were published without coordination under conditions of urgency by CIA separately rather than as part of the Daily or Weekly Summaries. After the establishment of O/NE the title stood for "Special Estimates" which were coordinated. (Classification according to circumstances.)

4. The "IM" Series

Items called "Intelligence Memoranda" were published before the establishment of O/NE for numerous purposes. They were sometimes fully coordinated, sometimes partially coordinated, and sometimes not coordinated. In any case, they were sent as memoranda from the AD/ORE to the DCI who

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took full responsibility for their further distribution. Those cited here were uncoordinated but were probably disseminated to the more important part of the distribution list for national intelligence. (Classification according to circumstances.)

5. "Review of the World Situation"

Short title, "CIA." Was somewhere between current (published uncoordinated each month and up to date as of publication) and estimative intelligence (always contained best current estimates arrived at by CIA on important developments). Was designed for and circulated primarily to the NSC. (Secret)

6. Various Memoranda

These sometimes had short titles such as "DM" (Director's memoranda) or "SS" (prepared by Special Staff) but were in general communications from the Assistant Director, Reports and Estimates to the DCI for the DCI's information. (Classification according to circumstances.)

7. The Daily Summary

A highly selective digest of all dispatches and reports received on a given day, intended primarily for President Truman who had originally requested this service in February 1946 and continued to desire it. From 1947 on, in response to demands from recipients, the Daily had also contained "CIA Comments" to interpret information being reported. Hence, it constituted more of a running intelligence estimate than had been originally intended. All members of the NSC plus the principal officers in the State Department and Pentagon received it. (Top Secret)

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8. The Weekly Summary

Begun four months after the Daily Summary and sent to same distribution list. Was primarily a review of the week's events as reflected in the Daily. Although it was originally intended to be no more than this, as time went on, it also tended toward interpretations and estimates. (Top Secret -- sometimes Secret)

(NOTE: The Daily and Weekly Summaries were under a single editor; the Review of the World Situation was produced by a different editorial staff. Both were dependent on the research organization of ORE for expert contributions.)

9. The Daily Korean Summary

Summarized the military situation for President Truman who had requested the service immediately after operations began in Korea. Apart from the President's insistence, would not have been produced by CIA because it consisted almost entirely of military reporting. (Secret)

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APPENDIX C

LIST OF ADDITIONAL RELEVANT CIA ESTIMATES OTHER THAN
THOSE LISTED IN EXHIBITS A TO N

I. Principal Pre-Invasion Estimates on Korea

ORE 5/1	The Situation in Korea (S)	January 1, 1947
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ORE-62	Implementation of Soviet Objectives in Korea (S)	November 18, 1947
ORE 15-48	The Current Situation in Korea (S)	March 18, 1948
ORE-44-48	Prospects for Survival of the Republic of Korea (S)	October 28, 1948
ORE 32-48	Communist Capabilities in South Korea (S)	February 21, 1949
ORE 3-49	Consequences of US Troop Withdrawal from Korea in Spring, 1949 (S)	February 28, 1949
ORE 18-50	Current Capabilities of the Northern Korean Regime (S)	June 19, 1950

II. Estimates Relevant to the Korean Situation, July-December 1950,
other than those cited in the "Discussion".

IM-303	Soviet Capabilities with respect to Japan in the Light of the US Commitment in Korea (TS)	July 10, 1950
IM-308	Implications of Chinese Communist Participation in the Korean War (S)	July 17, 1950

(NOTE: The evidence suggests that this was never written although it is listed among published IM's in an inventory made by C/RR in March 1953. Announcement was made on or about July 12 that it would be written. Its "Scope" was outlined as: "Assuming that Chinese Communist forces will participate in the Korean War, this paper will estimate the possible extent of such participation (in terms of North Korean requirements for support), the character of such participation, the possibility of direct hostile contact with US forces, and the implications in terms of Soviet intentions under varying conditions of Soviet willingness to initiate open hostilities with the US." Indications are that proposed IM-308 became merged with IM-306 below.)

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IM-315 Possible Soviet Use of Japanese Prisoners of War (S)

August 4, 1950

NIE 2/2 Soviet Participation in the Air Defense of Manchuria (TS)

November 27, 1950

NIE-11 Soviet Intentions in the Current Situation (TS)

December 5, 1950

III. Estimates on the Dangers to Taiwan and to Southeast Asia before and during the Korean War

ORE 7-50 Probable Developments in Taiwan (S)

March 20, 1950

IM-392 Reappraisal of ORE 7-50, "Probable Developments in Taiwan" (S)

May 11, 1950

IM-312 Chinese Communist and Chinese Nationalist Intentions and Capabilities with respect to Taiwan (TS)

July 27, 1950

ORE 50-50 Prospects for the Defense of Indochina against a Chinese Communist Invasion (S)

September 7, 1950

ORE 50-50 (Supplement) Prospects for Chinese Communist Action in Indochina during 1950 (S)

September 7, 1950

ORE 29-50 Consequences to the US of Communist Domination of Mainland Southeast Asia (S)

October 13, 1950

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