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CENTRAL INTELLIGENCE AGENCY

26 March 1962

~~78 Mr. Burnett~~  
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MEMORANDUM FOR THE UNITED STATES INTELLIGENCE BOARD

SUBJECT: SNIE 13-3-62: PROBABLE CONSEQUENCES OF CHINESE NATIONALIST  
MILITARY OPERATIONS ON THE CHINA MAINLAND 3 WAF

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1. The attached estimate has been approved by the Board of National Estimates pursuant to a consideration of it by the USIB representatives.
2. This estimate has been placed on the agenda of the USIB meeting scheduled for Wednesday, 28 March at 1030.

DEPARTMENT OF STATE A/SDC/MR

REVIEWED BY MCB DATE 11-18-86

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APPROVED FOR RELEASE  
DATE: MAY 2002

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CENTRAL INTELLIGENCE AGENCY

26 March 1962

SUBJECT: SNIE 13-3-62: PROBABLE CONSEQUENCES OF CHINESE  
NATIONALIST MILITARY OPERATIONS ON  
THE CHINA MAINLAND

THE PROBLEM

To evaluate the intentions and capabilities of the Government of the Republic of China (GRC) to undertake limited military operations on the China mainland in 1962 and to estimate the prospects for and consequences of such operations.

CONCLUSIONS

A. Public dissatisfaction and demoralization is widespread in Communist China and there has been some weakening of discipline among local officials and low-level party cadres. Nevertheless the regime's control apparatus is still intact and effective. Present indications are that the regime will continue to be able to isolate and repress any likely internal challenge to its authority.  
(Paras. 1-3)

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B. Even if GRC special forces teams could be successfully established on the mainland, they would almost certainly be destroyed in a short time. Very few people, and no significant military units, would be likely to join the GRC forces in the absence of clear military success -- which we believe would be impossible without large-scale US support. (Para. 13)

C. US refusal to support or sanction the GRC proposals for special forces operations would place additional strains on US-GRC relations. We believe that the GRC leaders, despite their limited capabilities, might undertake some kind of special force operations against the mainland in 1962 even without US approval. (Para. 5)

D. If the GRC were to undertake military operations on the mainland, with or without US support, Communist China and the USSR would launch major propaganda and political campaigns against the GRC and the US. Peiping might undertake some retaliatory action in the Taiwan Strait area. Moscow would be most unlikely to alter its policies toward Communist China or the US so long as the GRC operations met with no notable success. In the unlikely event that Communist control of the mainland were threatened, the Soviet leaders would almost certainly support the regime to the extent necessary, while exploiting the opportunity to attempt to bring Peiping's policy and outlook in line with that of the USSR. (Paras. 14-17)

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## DISCUSSION

### I. THE SITUATION ON THE MAINLAND \*

1. After a decade of extreme effort exacted from the Chinese people, food shortages continue to be acute and the Chinese Communist regime has had to admit major economic failures. Public dissatisfaction and demoralization have become widespread and morale and discipline among local officials and lower level party cadres have declined. However, this disaffection is characterized by apathy rather than by active resistance on any significant scale. Although actual uprisings have been reported, these have taken place primarily in minority areas, especially in western China. With the exception of Tibet, there is no evidence that these uprisings have lasted long, that they involved significant proportions of the population, or that they were more than local affairs. Food riots have been reported in a number of localities, but they were quickly put down and did not expand into an actual resistance effort.

2. The regime's control apparatus -- the party and the armed forces -- is still intact and effective. A preferential standard of living and intensive political indoctrination have kept army

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\* The situation in Communist China will be analyzed in detail in NIE 13-62, "Communist China," now scheduled for 18 April 1962.

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discipline relatively high. However, troops have not been entirely isolated from the suffering of the civilian population or the disillusionment and dissatisfaction which this has produced. Also there are reports of serious and demoralizing corruption among cadres and rear service personnel in the distribution of food and supplies. We believe that privation and dissatisfaction within the armed forces and among party cadres must go well beyond anything previously experienced before a serious threat to the regime is likely to emerge. Thus far there is no indication that events are tending in this direction and we can perceive no imminent danger to internal stability.

3. Public morale in Communist China is low and will remain low so long as the present economic slump continues. Until the winter wheat is harvested in late spring, Peiping will face a situation of deepening crisis. Another poor harvest would further lower morale and increase demonstrations of open dissatisfaction and localized incidents of violent opposition to the regime. However, present indications are that the regime will continue to be able to isolate and repress any likely internal challenges to its authority.

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II. GRC INTENTIONS AND CAPABILITIES

4. The goal of the leaders of the GRC, particularly Chiang Kai-shek, is, and has always been, to re-establish their rule over all China. Their pervading fear and overriding concern is that the US may now be drifting toward a two-Chinas policy. At the same time, the hopes of the GRC leaders have been greatly buoyed up by the acute economic difficulties on the China mainland, and by their conviction that public discontent there is reaching substantial proportions. In the past they believed that their best chance of recovery of the mainland was in the wake of a war in which the US defeated the Chinese Communists. Now, however, they see in the worsening situation on the mainland an opportunity to take action to stimulate public uprisings and provide an alternate leadership to which the discontented Chinese could rally. Such a development, in the view of the GRC leaders, could gather sufficient momentum to evoke US support.

5. The GRC leaders have become increasingly insistent and specific in their requests for US aid and approval of probing operations against the mainland, and they have increased the size of the initial commitment they propose to make in operations

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against the mainland. The top leadership, particularly Chiang, has assumed a "last chance" attitude toward recovery of the mainland, and they profess to be determined to undertake sizable military operations on the mainland during 1962. In their view, the test of US willingness and determination to stand with the Republic of China and against further expansion of communism in the Far East is involved in the US response to their proposals. US refusal to support or sanction the GRC proposals for special forces operations would place additional strains on US-GRC relations and lead to increasing pressures for assurances and demonstrations of US support of the GRC objective of returning to the mainland. We believe that the GRC leaders might undertake air drop or raiding activities larger than any heretofore attempted against the mainland, within their independent capability, even without US approval. We do not believe that they will be put off by counterproposals such as conduct of further intelligence probs or the development of underground networks on the mainland as preparatory stage of initiating larger scale operations.

6. Since 1951 the GRC, with US cooperation, has made repeated efforts to air drop teams of 6-15 men to seek out and stimulate resistance on the mainland. These efforts have lead to no significant success. In June 1960 Chiang Kai-shek appealed to President

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Eisenhower for support of a GRC plan to airdrop several 200-300 man paramilitary teams into China. The US response was to suggest probes of smaller size. Accordingly, plans for dropping 20 man teams into selected areas of south China were completed by the fall of 1961, but the GRC has declined to implement these plans.

7. The GRC forces have for several years carried out training exercises in amphibious operations. In mid-1961 President Chiang ordered planning for an amphibious assault which would initially commit four divisions but would ultimately employ 30 divisions. He instructed his planners not to count on US aid. Chiang almost certainly was aware that the GRC lacked the capability to carry out such an attack without US assistance. Hence, his invasion plans probably were intended as a means of pressuring the US to support his plans for large airdrops.

8. In March 1962 the GRC made the most specific request to date for US support of operations on the mainland. The request was for four C-130 planes equipped with ECM gear to confuse the Chinese Communist air warning system, and for US approval of an operation involving airdrop of five special forces teams, totaling

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1,200 men, into five inland areas of south China.<sup>1/</sup> The GRC leaders have sought to assure the US that they would not act in a manner which might involve the US. At the same time their actions have made clear that they regard paramilitary operations as "political" and, therefore, not subject to US approval of military operations against the mainland.

9. The special forces, which total about 10,000,<sup>2/</sup> are the nucleus of the GRC guerrilla and unconventional warfare capability. The morale and professional ability of the special forces are rated by the US military observers as good to excellent. They are an elite group who enlist for life -- or until released -- and they draw preferential pay. They are jump trained and have been given extensive training in night drops and in mountain and guerrilla warfare. Military government personnel are trained to accompany the special forces units. In addition, the GRC has one Airborne Regiment (3,000 men), one infantry division which has had some jump training (about 10,000 men), and a guerrilla force of 7,000 men, largely stationed on the offshore islands, who have had no jump training.

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<sup>1/</sup> These areas as presently constituted are within an area of about 250 miles from Hong Kong.

<sup>2/</sup> About 2,500 of these are in MAP-supported units.

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10. By using all aircraft available to it, the GRC could, if undetected and unopposed, theoretically deliver and drop about 3,500 paratroopers with small arms equipment within a 500 mile radius of Taiwan and resupply that force with 300 tons per day for about six weeks. As a practical matter the GRC probably could make a successful night drop of at least one of the teams of the type envisaged and under favorable circumstances perhaps several of them, although such drops would probably have to be short of the areas designated in the present GRC plan. We believe, however, that the GRC is sensitive to the very high risks involved in undertaking even such drops as are realistically within its own capabilities. The high risks of such an operation would be somewhat reduced by the provision of ECM equipment.

11. In the past the GRC has had no significant success in its numerous efforts to establish small intelligence teams on the mainland or to execute small sabotage missions on the mainland, even in nearby areas. Most of the groups dropped on the mainland have never been heard from. Some made radio contact, but only a few remained in operation longer than a month. No drops have been made since 1959.

12. The GRC has the theoretical capability of conducting an amphibious operation with a force of about 15,000 troops. This capability also assumes little or no resistance. The effectiveness of such a force if landed would be seriously restricted by a limited logistics capability. An amphibious operation of any size would almost certainly be detected by the Chinese Communists.

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III. CONSEQUENCES OF THE PROPOSED GRC MILITARY OPERATIONS ON  
THE MAINLAND

13. The chances that the proposed GRC operations, with or without the kind of US support requested, will be successful in triggering mainland resistance are extremely poor at the present time. Even if the GRC groups could make an initial lodgment, they would almost certainly be sought out and destroyed by Chinese Communist military and security units in a short time. At best, the GRC special force teams might find temporary refuge in rugged and thinly populated areas. While there is widespread dissatisfaction with conditions on the mainland, very few people, and no significant military units, would be likely to join the GRC forces in the absence of clear military success. We believe that such success would be impossible without large-scale US support.

14. Peiping's immediate response to GRC military operations of any significant size and duration would be to launch a violent propaganda and political campaign against the US and the GRC. They might also engage in some retaliatory military action in the Taiwan Strait area. We believe it unlikely that they would undertake attacks against Taiwan, because of their concern about triggering US reaction.

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15. Any significant GRC operations would probably have the temporary effect of bringing Peiping and Moscow somewhat closer together; if the two Bloc powers were on the edge of a split, the incident might tip the balance for the time being against it. The Soviets would probably not be completely averse to seeing Communist China embarrassed by a limited indigenous rebellion which they might hope would bring about a leadership change in the Chinese Party. They would be concerned, however, that a rebellion instigated from Taiwan would escalate to more dangerous international proportions and would almost certainly conclude it was preferable that an uprising be quickly suppressed.

16. While the USSR would engage in a propaganda campaign against the GRC and the US, the Soviet leaders would be most unlikely to alter their policies toward China or the US so long as the GRC operations met with no notable success. In the unlikely event that they did meet with success, the Soviet leaders would almost certainly support the Chinese Communist regime to the extent necessary to put down the rebellion while exploiting the opportunity to attempt to bring Chinese policy and outlook more in line with that of the USSR.

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17. It is highly improbable that the US would be able to disassociate itself in international opinion from responsibility for any significant GRC operations against the mainland. Although, it is unlikely that the Bloc could succeed in obtaining a formal condemnation of the US in the UN, it could probably stir up enough criticism among UN members to complicate seriously the GRC's ability to weather next session's China representation fight.

18. If the proposed GRC operation resulted in the immediate destruction of the Chinese Nationalist troops involved there would probably be a serious, but not critical decline in the morale of GRC military and government officials. If the operation met with some initial success, but was subsequently contained and destroyed, the GRC would almost certainly put the onus for the failure on the US; relations between the GRC and the US would consequently decline. In either case GRC officials (the President obviously excepted) would probably become more resigned to concentrating on policies geared to the strengthening of the GRC position on Taiwan rather than on a return to mainland.

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