

NIE 10-2-54

**Communist Courses of Action in Asia
Through Mid-1955**

15 March 1954

This document is made available through the declassification efforts
and research of John Greenewald, Jr., creator of:

The Black Vault



The Black Vault is the largest online Freedom of Information Act (FOIA)
document clearinghouse in the world. The research efforts here are
responsible for the declassification of hundreds of thousands of pages
released by the U.S. Government & Military.

Discover the Truth at: <http://www.theblackvault.com>

~~SECRET~~

APPROVED FOR RELEASE
DATE: JAN 2005

COPY NO. 151
DD/P

(b) (3)

NATIONAL INTELLIGENCE ESTIMATE

COMMUNIST COURSES OF ACTION IN ASIA THROUGH MID-1955



NIE 10-2-54

(Supersedes NIE-47)

Approved 9 March 1954

Published 15 March 1954

The Intelligence Advisory Committee concurred in this estimate on 9 March 1954. The FBI abstained, the subject being outside of its jurisdiction.

The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

CENTRAL INTELLIGENCE AGENCY

~~SECRET~~

DISSEMINATION NOTICE

1. This copy of this publication is for the information and use of the recipient designated on the front cover and of individuals under the jurisdiction of the recipient's office who require the information for the performance of their official duties. Further dissemination elsewhere in the department to other offices which require the information for the performance of official duties may be authorized by the following:

- a. Special Assistant to the Secretary for Intelligence, for the Department of State
- b. Assistant Chief of Staff, G-2, for the Department of the Army
- c. Director of Naval Intelligence, for the Department of the Navy
- d. Director of Intelligence, USAF, for the Department of the Air Force
- e. Deputy Director for Intelligence, Joint Staff, for the Joint Staff
- f. Director of Intelligence, AEC, for the Atomic Energy Commission
- g. Assistant to the Director, FBI, for the Federal Bureau of Investigation
- h. Assistant Director for Collection and Dissemination, CIA, for any other Department or Agency

~~2. This copy may be either retained or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Office of Collection and Dissemination, CIA.~~

~~3. The overseas dissemination of this intelligence will be limited to a period of one year or less, at the end of which time it will be destroyed, returned to the forwarding agency, or permission requested of that agency to retain it in accordance with IAC-D-69/2, 22 June 1953.~~

WARNING

~~This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.~~

DISTRIBUTION:

White House
National Security Council
Department of State
Department of Defense
Foreign Operations Administration
Operations Coordinating Board
Atomic Energy Commission
Federal Bureau of Investigation
United States Information Agency

~~SECRET~~

COMMUNIST COURSES OF ACTION IN ASIA THROUGH MID-1955

THE PROBLEM

To estimate probable Communist courses of action in Asia¹ through mid-1955.

CONCLUSIONS

1. We believe that the USSR and Communist China will remain closely allied at least during the period of this estimate, and that their cooperation in furthering Communist objectives in Asia will not be materially reduced by frictions or conflicting interests.

2. The USSR and Chinese Communists almost certainly estimate that during the period of this estimate they are unlikely to obtain an Asian settlement on their terms, but that the present situation in Asia fosters tensions, both within the Western alliance and between non-Communist Asian countries and the West, which can be exploited to Communist advantage. The Communists probably will not make any major concessions in the interest of relieving international tension in Asia, but will attempt to impress free world countries, particularly Asian neutrals, with their willingness to negotiate.

3. The Communists will probably not initiate new local aggressions in Asia with identifiable Soviet, Chinese Com-

munist, or North Korean armed forces. However, they will continue where they feel it expedient to support indigenous Communist insurrections, and to exploit any opportunities which arise to weaken Western strength and to extend Communist power and influence in Asia, taking advantage of the extreme vulnerabilities of this area to Communist pressures in a number of respects.

4. In Korea, we believe that the Communists will: (a) refrain from renewing hostilities, but will be militarily prepared for a resumption of hostilities; (b) refuse to accept any settlement which either endangers continued Communist control of North Korea or precludes hope of eventual Communist control of all Korea; (c) take steps to rehabilitate North Korea and to strengthen its military and economic power; and (d) attempt to weaken the ROK by infiltration and subversion.

5. We believe that during the period of this estimate Communist strategy in Indochina will be designed to extend Viet Minh military and political power, to destroy France's will to continue fighting, and ultimately to gain control of all

¹ Asia, as here used, includes Japan, Taiwan, the Philippines, Indonesia, Ceylon, and all of mainland Asia east of (but not including) Iran and Afghanistan.

~~SECRET~~

Indochina. The Viet Minh will probably press its war effort and will continue its tactics of infiltration and subversion. Communist China will almost certainly maintain and may increase its material, training, and advisory support of the Viet Minh. The Communists will almost certainly continue during this period to raise the prospect of a negotiated settlement of the Indochina war, and to hint at the possibility of an early cease fire. Such tactics will be pursued primarily for their psychological effect upon the French and the non-Communist Indochinese. The Communists almost certainly will not negotiate any settlement or agree to any cease fire which does not offer them excellent prospects for domination of Indochina. Finally, we believe that, so long as the Indochina war retains essentially its present character,

Chinese Communist combat forces will not overtly intervene in Indochina, and that identifiable Chinese Communist "volunteers" will not be engaged on a significant scale during the period of this estimate.

6. Elsewhere in Asia, in those countries of Asia where major Communist armed forces are not openly committed, Communist policy will continue to combine soft and hard tactics. The Communists will profess and in some instances implement a policy of expanding existing trade relations with the countries of this area in an effort to make them more favorably disposed toward the Communist world. The Communists will continue their efforts to enhance Communist China's prestige in Asia, and will also attempt to build up the strength of indigenous Communist parties in the area.

DISCUSSION

I. FACTORS INFLUENCING COMMUNIST COURSES OF ACTION IN ASIA

7. The chief factors which shape Communist policy in Asia appear to be: (a) the nature of the relationship between the USSR and the other Communist regimes and parties in Asia, particularly Communist China; (b) Communist objectives in Asia; (c) Chinese Communist strength; (d) vulnerabilities of the non-Communist countries of Asia; and (e) the Communist estimate of US intentions in Asia.

8. *Communist relationships.* The USSR does not appear to exercise over the various Communist parties and regimes in Asia the absolute control that it does over the European Communist parties and Satellites.

9. The role of Communist China in the international Communist movement is markedly different from that of any other Communist country. Communist China acknowledges the

USSR as the leader of the world Communist movement and appears generally responsive to the Soviet Union's strategic and doctrinal guidance, but it is more an ally than a satellite of the USSR. It possesses some capability for independent action and probably exerts an important influence upon the shaping of Communist policy in the Far East. In addition, the prestige accorded Mao Tse-tung by the USSR as a Communist theoretician in his own right goes far beyond that accorded any other contemporary non-Soviet Communist.

10. Although there is little specific evidence, we believe that Communist China is presently being accorded a higher, though still not equal, status within the Sino-Soviet partnership. The USSR has recently gone further than ever in pushing Communist China's claim to an acknowledged position in international affairs. Also, the Soviet Union has given evidence of a willingness to have Com-

munist China assume greater responsibilities in furthering Communist interests in Asia.

11. There is little information about the planning and direction of Communist activities in Asia. The main outlines of Communist policy in Asia are probably jointly determined by Moscow and Peiping, with the Soviet voice presumably being the dominant one. However, the USSR appears to treat Peiping with deference and is probably reluctant to override strongly held Chinese convictions. Communist China appears to have an increasingly important role in the execution of Communist policy in North Korea and Indochina. Elsewhere in Asia, the administration of Communist activities does not appear to follow a consistent pattern. The activities of individual parties appear to be directed through various channels, but for the most part either through Moscow or Peiping. Moreover, the activities of the separate parties do not always appear to be coordinated with each other, and there have been factionalism and dissidence at times within the parties.

12. *Communist objectives in Asia.* The USSR and Communist China appear to have the following common objectives in Asia:

a. As part of the general objective of advancing the world Communist movement, to reduce and eventually eliminate Western power and influence from Asia, and to expand Communist power and influence;

b. To increase the Communist military potential in Asia;

c. To increase the Communist Bloc economic potential by developing the economies of Communist China and North Korea; and

d. To prevent the resurgence of an armed and hostile Japan.

13. In addition, the USSR and Communist China probably have individual ambitions in Asia:

a. The USSR probably seeks: (1) to supplant Western power and influence in Asia with Soviet power and influence; (2) to establish and extend control over Communist China; (3) within these limits, to increase Chinese Communist military and economic

strength; and (4) to extend and intensify Soviet control over Communist movements elsewhere in Asia; and

b. Communist China probably seeks: (1) to consolidate its revolution and develop a strong industrial base and a modern military establishment, and for this purpose to obtain greater Soviet assistance; (2) to thwart any attempts of the USSR to interfere in Communist China's internal affairs; (3) to minimize Soviet influence in the Chinese border areas; (4) to increase Chinese Communist influence over Communist movements in the Far East; and (5) to gain an acknowledged and independent position as a world power and as the leader of Asia.

14. The respective ambitions of the USSR and Communist China are in some cases conflicting, and constitute potential sources of friction between the two powers. However, we believe that throughout the period of this estimate the cohesive forces in the Sino-Soviet relationship will be far greater than the divisive forces. The USSR and Communist China share a common ideology. Both of them regard the US as the chief obstacle to their objectives in Asia, and believe that their interests are threatened by US policy and power in the Pacific. Moreover, each partner profits at the present time from its alliance with the other. Communist China receives considerable Soviet political, military, and economic support and assistance. The USSR recognizes in China a valuable ally which provides not only military strength and defense in depth in the Far East, but also a base for further advancing Communist aims in Asia. Moreover, the alliance with Communist China enables the USSR to use the "China problem" as a political and psychological asset of great value in dividing and confusing the non-Communist world.

15. We believe that the USSR and Communist China will remain closely allied at least during the period of this estimate, and that their cooperation in furthering Communist objectives in Asia will not be materially reduced by frictions or conflicting interests.

16. *Chinese Communist Strength.* Although the Peiping regime has apparently lost much

of its initial popular support, it exercises firm control over the territory which it administers. Barring Communist China's involvement in a full-scale war, there is little likelihood of this control being threatened or shaken by domestic forces within the period of this estimate. The regime has made considerable progress in economic rehabilitation and development. It now possesses a large military establishment which, by Asian standards at least, is modern and formidable.

17. However, Communist China still faces a prolonged period of building up its military and economic strength before it achieves the position its leaders desire. Communist China's military capabilities continue to be limited by: (a) almost total dependence upon the USSR for aircraft and heavy military equipment; (b) deficiencies in training, tactics, and logistics, particularly with respect to its naval and air forces; and (c) little or no experience in certain important aspects of military operations, including tactical air support, high altitude bombing, amphibious operations, and submarine and antisubmarine warfare. Moreover, the period of relatively rapid economic recovery and development in Communist China appears to be coming to a close, and future gains will probably be somewhat slower. The Peiping regime has curtailed the original scope of its ambitious Five-Year economic plan, apparently because Communist China's leaders have gained a clearer and more sober appreciation of the many obstacles to be overcome in attempting the rapid industrialization of Communist China. In addition, the level of Soviet economic assistance is apparently not so high as Peiping originally anticipated.

18. Despite these limiting factors, Communist China's military strength and effectiveness are far greater than those of any non-Communist state in Asia, and Communist China's capabilities to wage political warfare in Asia and to support "national liberation" movements in that area are substantial. However, we believe that these limiting factors are sufficient to impose caution upon the Communists, particularly in considering courses of action which might involve them in military conflict with the US and its allies.

19. *Vulnerabilities of the non-Communist countries of Asia.* Except in Indochina, the non-Communist governments in Asia are not seriously threatened at the present time by Communist insurrection, even though Communist guerrilla forces remain in Burma, Malaya, and the Philippines. Local Communist parties do not present a serious threat to the position of the respective governments, although in Indonesia Communist strength and influence are likely to increase as long as the present Communist supported government continues in office. In most of Asia the politically influential groups are slowly gaining an increased awareness of Communist designs and policies.

20. However, the effective resistance of the majority of the countries of this area to Communist pressures is to an almost critical degree dependent on continued Western support and assistance. Non-Communist Asia is extremely vulnerable to Communist pressures in a number of respects. The relative military weakness of these countries makes most of them apprehensive of antagonizing Communist China. Throughout the area, existing nationalist and anti-Western sentiments create a receptiveness to Communist propaganda. Political immaturity and serious internal cleavages have resulted in domestic instability in such countries as Indonesia, Vietnam, Cambodia, and to a lesser extent Burma. There are economic difficulties throughout the area which are susceptible of Communist exploitation and within each of these countries are Communist organizations bent on the country's subversion. In addition, within the states of Southeast Asia the significant number of Chinese residents, many of whom are loyal to the "homeland," continues to offer an important target for Communist exploitation.

21. *The Communist estimate of US intentions in Asia.* From the Communist viewpoint, the chief factor in estimating non-Communist policy in Asia is the probable role of the US. The Communists almost certainly believe that the US wishes to see Communism eliminated from Asia and is determined to oppose further Communist expansion in Asia. They

may also estimate that the US intends to take a more active part in an attempt to overthrow Asian Communist regimes. The Communists might base these estimates on: the presence of US forces and bases in Korea, Japan, the Ryukyus, and the Philippines; US public declarations with respect to Chinese Communist aggression against Indochina or renewed Communist aggression in Korea; US defense treaties with the ROK, Japan, and the Philippines; US military and diplomatic support of the Chinese Nationalist Government on Taiwan; US military assistance to Indochina; and US efforts generally to increase the strength of the non-Communist Asian states. However, the Communists probably further estimate that the US is reluctant to become more deeply engaged militarily in Asia. The Communists might base this estimate on: the fact that the US did not expand the Korean war and accepted an armistice in Korea; the announced intention of the US to disengage a portion of its strength from Asia as part of a new global strategy; and the apparent desire of the US to avoid further aggravating existing differences with its allies over Asian policy.

22. We believe that the USSR and Communist China have probably concluded on the basis of the above that: (a) military aggression against Japan, Taiwan, the Philippines, or the ROK by Chinese Communist forces would almost certainly bring US actions against the Chinese mainland, possibly including attacks with nuclear weapons; (b) Chinese Communist military aggression against Indochina would probably result in such US action; (c) Chinese Communist military aggression elsewhere in Asia would at least risk such US action; and (d) the US is not likely, unprovoked, to attack the Chinese mainland. The USSR and Communist China cannot disregard the possibility that the US might commit US forces in Indochina to prevent a decisive French defeat. Lastly, the USSR and Communist China have probably concluded that the US will find it difficult in many instances to bring effective counteraction to bear against Communist subversion in Asia, and that they therefore have a large area of maneuver open to them in Asia in

which to pursue courses of action which will provoke neither unacceptable nor effective counteraction.

23. *Net effect of factors influencing Communist Courses of Action in Asia.*² We believe that the net effect of all the factors considered in the preceding paragraphs will impel Communist rulers to seek to attain their objectives in Asia through courses of action which will not: (a) place heavy strain at this time upon the relationships among the Communist regimes; (b) subject Communist China to severe economic strains; (c) inhibit Communist opportunities to exploit non-Communist Asian vulnerabilities; or (d) involve serious risk of attacks on the Chinese mainland.

II. PROBABLE COMMUNIST COURSES OF ACTION IN ASIA

General Courses

24. The USSR and Chinese Communists almost certainly estimate that during the period of this estimate they are unlikely to obtain an Asian settlement on their terms, but that the present situation in Asia fosters tensions, both within the Western alliance and between non-Communist Asian countries and the West, which can be exploited to Communist advantage. They probably believe that a continuance of their present policies will in particular give them opportunities during the period of this estimate to enhance the position of Communist China as a world power and to weaken further France's will to continue the Indochina war. The Communists probably will not make any major concessions in the interest of relieving international tension in Asia, but will attempt to impress free world countries, particularly Asian neutrals, with the Communist willingness to negotiate. They will probably not initiate new local aggressions in Asia with identifiable Soviet, Chinese Communist, or North Korean armed forces. However, they will continue where they feel it expedient to encourage and give material support to indigenous Communist

² This paragraph does not consider the effect on Communist courses of action of possible new Western moves in Asia.

insurrections, and to exploit through internal subversion and political, economic, and diplomatic pressures any opportunities which arise to weaken Western strength and support, and to extend Communist power and influence, in Asia.

Specific Courses of Action

25. *Korea.* We believe that the general Communist policy during the period of this estimate with respect to Korea will be: (a) to refrain from renewing hostilities in Korea, but to be militarily prepared for a resumption of hostilities; (b) to refuse to accept any settlement in Korea which either endangers continued Communist control of North Korea or precludes hope of eventual Communist control of all Korea; (c) to rehabilitate North Korea and to strengthen its military and economic power; and (d) to attempt to weaken the ROK by infiltration and subversion.

26. In any international discussions of Korea, the Communists will almost certainly not agree to any proposals that would lead to a unified, truly independent Korea, even if neutralized. The Communists may advance proposals for unification, but these proposals will almost certainly be designed to insure eventual Communist domination of Korea. The Communists will almost certainly continue to call for the withdrawal of foreign troops from Korea. In fact, since the North Korean armed forces are at present in many respects superior to ROK armed forces, the Chinese Communists might at any time unilaterally withdraw their forces from Korea, as the USSR did in 1948, in an effort to place the US/UN under pressure to do likewise.

27. *Indochina.* The Communists probably feel that the existence of the war in Indochina, although involving some risk of US intervention, produces certain immediate advantages and promises success in a prolonged struggle. From the point of view of the USSR, the war ties up Western military resources and weakens French ability and willingness to participate in Western security measures in Europe. From the point of view of Communist China, the war gives prospect of removing Western power and influence

from its southern border, and offers hope of extending Chinese Communist influence over Indochina and Southeast Asia and of providing Communist China with increased access to the resources of the area. For both the USSR and Communist China, the war is a continuing source of exploitable differences within the Western camp.

28. We believe that during the period of this estimate Communist strategy in Indochina will be designed to extend Viet Minh military and political power, to destroy France's will to continue fighting, and ultimately to gain control of all Indochina. The Viet Minh will probably press its war effort and will continue its tactics of infiltration and subversion. Communist China will almost certainly maintain and may increase its material, training, and advisory support of the Viet Minh. The Communists will almost certainly continue during this period to raise the prospect of a negotiated settlement of the Indochina war and to hint at the possibility of an early cease fire. Such tactics will be pursued primarily for their psychological effect upon the French and the non-Communist Indochinese. The Communists almost certainly will not negotiate any settlement or agree to any cease fire which does not offer them excellent prospects for domination of Indochina. Finally, we believe that, so long as the Indochina war retains essentially its present character, Chinese Communist combat forces will not overtly intervene in Indochina, and that identifiable Chinese Communist "volunteers" will not be engaged on a significant scale during the period of this estimate.

29. *Elsewhere in Asia.* In those countries of Asia where major Communist armed forces are not openly committed, Communist policy will continue to combine soft and hard tactics. Communist policy will exploit nationalist and anti-Western sentiments and divisive influences existing within and among the countries of non-Communist Asia. The Communists will profess and in some instances implement a policy of expanding existing trade relations with the countries of this area in an effort to make them more favorably disposed toward the Communist world. The Communists will

continue their efforts to enhance Communist China's prestige in Asia, and will place especial emphasis on attempting to convince non-Communist Asians that, because of the growing power of Communist China, time is on the Communist side in Asia. The Communists will also attempt to build up the strength of indigenous Communist parties in the area. Where these parties are legal, the Communists will attempt, largely through legal and constitutional procedures, to build up popular support for the parties. However, in certain of these countries, as well as in those in which the parties are illegal, the Communists will attempt to strengthen the capabilities of "armed liberation" forces already in being, and to build up underground Communist political and military organizations.

30. In India, the Communists probably will continue their efforts, largely through legal and constitutional procedures, to build a united opposition against the ruling Congress Party. However, the Communists in India and throughout South Asia may join in riots and employ other violent tactics on a small scale, particularly where outbursts of violence have been instigated by non-Communist groups. The USSR and Communist China will attempt to exploit India's neutralism to advance their foreign policy objectives, and to induce all South Asian states to enter into closer economic relations with the Communist world. Finally, the Chinese Communists, from their base in Tibet, will probably seek to increase their now limited influence in the border states of Nepal, Bhutan, and Sikkim and elsewhere along India's borders, and local Communists will try to enlarge their influence within the Kashmir Government.

31. Communist strategy toward Japan will probably continue to be based on an effort to delay Japan's rearmament and undermine its present pro-Western orientation. The Communists will attempt to exploit Japan's reviving nationalism and desire to play a more independent role in Asia; its shaky economic situation and urgent need for additional markets; its fear of involvement in a general war; its present reluctance to create and maintain a strong military establishment; and

its irritation arising from the continued presence of US forces in Japan. The USSR, Communist China, and the Japanese Communist Party will accordingly hold out the possibility of negotiations leading to closer relations with the USSR and Communist China as a means of resolving economic and security problems facing Japan. The Communists may offer to conclude a formal peace settlement, possibly involving the return of some Japanese island territories and the conclusion of a non-aggression pact, if they can thereby induce Japan to abandon its mutual security arrangement with the US. The Communist Bloc will almost certainly attempt to increase trade relations with Japan, using the established technique of informal negotiations between non-governmental groups, and will strive in particular to play upon already exaggerated expectations of many Japanese regarding the benefits to be gained from expanded trade with Communist China. The Japanese Communists probably will place primary emphasis on efforts to broaden their popular support by exploiting grievances against the US and attacking the domestic and foreign policies of the Japanese Government. At the same time, the Japanese Communists will continue to develop their covert organizations and may, on occasion, resort to sabotage and limited acts of violence.

32. The Communists probably believe that their long-range prospects in Indonesia are bright. The Indonesian Communists will probably continue to support the present government or, if it falls, to work for the establishment of another government in which their influence would be strong. Meanwhile, they will try, largely through constitutional means, to expand their influence in the bureaucracy and the armed forces, and to prevent the formation of a unified and effective opposition. They will probably also attempt to strengthen the capabilities of Communist guerrilla forces. In general, however, the Communists will probably seek to avoid aggressive tactics which might provoke a coup by domestic opposition groups.

33. The Communists probably consider their prospects in Thailand to be dependent upon their success in Indochina. They probably

will continue subversive activities primarily among the Chinese and Vietnamese communities in Thailand. Communist pressures against Thailand will almost certainly increase if the Communists should establish a position of strength in Indochina along Thailand's eastern or northeastern borders.

34. In Burma, the Communists probably will continue guerrilla warfare against the government, while at the same time maintaining agitation for a coalition government. Communist China will probably try to develop and exploit discontent among tribal groups particularly along the border, and may increase its thus far limited support of Communist insurrectionary groups within Burma. In addition, the Communists will seek to aggravate the KMT issue in an effort to impair both Burma's internal stability and its relations with Thailand and the US. The Communists will probably make attractive trade offers in an attempt to increase their influence in Burma.

35. Communist policies involving Malaya, the Philippines, Taiwan, Hong Kong, and Macau will probably continue for the most part along present lines. The Malayan Communist Party

will probably continue guerrilla warfare tactics, but at the same time will continue efforts to increase its popular appeal and to infiltrate political and labor organizations. It will attempt to exploit anti-Western sentiments, dissatisfactions with economic conditions, and antigovernment sentiments. In the Philippines, the Communists will probably attempt to conserve their depleted military arm, the HMB (Huks), while intensifying propaganda, infiltration, and organizational efforts. They will seek to exploit such anti-US sentiment as exists in the Philippines, and any disillusionment which may arise if President Magsaysay is not able to show progress in his announced social reforms. The Communists will probably continue small-scale raids against Chinese Nationalist-held offshore islands, and will probably attempt to increase their espionage capabilities on Taiwan. However, the principal Communist effort against Nationalist China will probably be, by diplomatic and propaganda means, to reduce remaining support for the Nationalist Government on the part of non-Communist powers and thus facilitate an ultimate disposition of Taiwan acceptable to the Communists.