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Project IM - 209

CENTRAL INTELLIGENCE AGENCY
OFFICE OF REPORTS AND ESTIMATES

Project Proposal Memorandum

Date: 8 August '49

To: B/FE

From: Staff Intelligence Group, Projects Planning

Subject: Vulnerability of Communist Movement in Asia.

Statement of Project

Origin: NSC Staff

Problem: List and discuss vulnerable points of the Communist movement in Asia.

Assumptions:

Scope: May be handled along lines of ORE 72-49 but without detailed analysis. Fairly brief paper desired.

Classification to be no higher than:

Form: IM, but may later take form of an ORE.

Dates: To G/SI by 20 August.

Branch responsibilities: Draft and coordinated with B/EE.

Departmental responsibilities:

Recommended Dissemination:

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(Use verso of this sheet for other matter)

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CENTRAL INTELLIGENCE AGENCY

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20 September 1949

INTELLIGENCE MEMORANDUM NO. 209

Executive Registry
0-6592

SUBJECT: Vulnerabilities of Communist Movements in the Far East

Communist movements throughout Asia are variously vulnerable to military, economic, and political attack. Certain of these vulnerabilities are common, in some degree, to all the nations of Asia, while others are present only in one or two countries. Effective opposition to Communism in Asia might be based on a single strategic plan, but if it were to be successfully carried out, it would have to be quite differently applied in each given situation.

For the purposes of this discussion, it is believed advantageous to divide the Far East into three geographical areas:

(a) that in which the Communist movement is or soon will be in effective control of the country (Soviet Far East, China, and northern Korea);

(b) that in which the US exercises effective control (Japan and the Ryukyus); and

(c) that in which the Communist movement threatens the security of the local government (southern Korea, the countries of Southeast Asia, and the Indian Subcontinent).

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. Communist Control.

In the first area, the Communist regimes cannot be deposed by anything short of a major Western military effort. The Soviet Far East is, of course, the most firmly under Communist control, and the least susceptible to Western influence. In China, however, the Communist movement exhibits a variety of internal weaknesses which, if they can be effectively exploited, might eventually lead to the downfall of the regime, or to a modification in its hostility to the West. If the Chinese economy should continue to deteriorate, and should the Communists lose popular support, anti-Communist forces may develop in sufficient strength to employ Western support effectively. Other vulnerabilities related to the Communist military effort include the risk of inflation if the army is maintained at its present strength, and the risk of rebellion if it is rapidly demobilized.

The Chinese Communists are harassed by manifold economic problems, including food shortages, unavailability of industrial materials, the presently effective Nationalist blockade, the trade controls which can subsequently be imposed by the West, the lack of shipping, the vulnerability of communications to Nationalist air attacks, various inflationary pressures, and a shortage of technicians. Politically, the Communists must overcome the hostility of the Chinese tradition, their loss of popular support, their default on promises, the weakening of Party discipline, the threat of Party schisms, and territorial and economic encroachment by the USSR. Nevertheless, it is estimated that the Communist regime in China is not immediately vulnerable in the sense of being deposed or altered, and that, for the next few years, the CCP's Stalinist leadership will continue to control the Party, while Moscow will continue to control the Party leadership.

The same estimate is believed to be valid, in most respects, for northern Korea: the Communist regime is vulnerable to the force of nationalism, to mass opposition to

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coercion, to resentment over its inability to fulfill its promises, and to the mere existence of the Republic in southern Korea as a symbol of nationalist aspirations. There is no prospect, however, that the northern regime can be deposed by the forces of the Republic, while the Republic itself is highly vulnerable to hostile action from the north.

2. US Control.

The special situation of Japan and the Ryukyus is, of course, a product of the Occupation, which is carried out almost entirely by US military authorities. The Occupation has encouraged and supported the more moderate elements in Japan and has brought about the establishment of a conservative Japanese Government determined to employ every permissible means to oppose the Communist movement in Japan. In addition, there exists in Japan a strong anti-Russian tradition, stemming from diplomatic and military clashes which began when Tsarist Russia pushed its eastern frontier to the Pacific. More recently, Soviet tactics in regard to the repatriation of Japanese prisoners of war have aroused widespread resentment in Japan.

3. Communist Threat.

In most of the countries cited as belonging to the third area--southern Korea, the countries of Southeast Asia, and the Indian Subcontinent--the Communist movement is vulnerable to some degree militarily; i.e., through military action by government forces. Only in Indochina and Burma, of the countries in the third area, does the Communist movement appear to be militarily too strong for decisive counteraction by forces at present committed. In certain of the countries, however, the native or colonial government would require US or UK assistance in order successfully to prosecute its military operations against Communist forces. In any event, the military is only one part of the problem.

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Communist movements throughout this third area are vulnerable principally to the force of nationalism. The Communist movements in most of these countries, recognizing that nationalism is the major issue and force throughout the area, have attempted to identify themselves with the national movement, posing as the champion of "independence." In several cases, however, the Communists are recognized by nationalist leaders as the instruments of another kind of foreign aggression. Throughout the area this intense nationalist feeling is reinforced by strong antipathy to the Chinese, historically and in the present day; Communist movements are vulnerable in these countries, among the non-Chinese population, to the degree that those movements are associated with the prospect of increased Chinese influence or control.

Additional political vulnerabilities of the Communist movement are derived, in certain areas, from the incompatibility of Communism and the prevailing religion (Catholicism in the Philippines and Indochina; Islam in Malaya, Indonesia, and Pakistan; and Hinduism in India), and from the relative satisfaction with life of the native peoples (e.g., in the Philippines, Thailand, and Malaya). Economically, Communist movements throughout the area are highly vulnerable in the sense that no economic program has been applied or proposed by the Communists which has any reasonable prospect of bringing greater material benefits to the bulk of the population than programs sponsored by the local governments. Here again, the Communist movements are vulnerable through the widespread antipathy to the Chinese, since the non-Chinese people associate the Chinese invariably with economic exploitation.

4. Conclusion.

The vulnerability of Communist movements throughout the Far East will be increased as colonial areas realize their ambition for independence, as independent nations realize further stability and development, and as both colonial and

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independent nations are induced and assisted to eliminate the economic and social conditions which are most susceptible to exploitation by the Communists, and to employ their developed strength against the spread of Communism, in concert with the West. A political and economic program which recognizes the desires of national movements, and which is designed to assist the birth and development of a democratic revolution, can effectively challenge a Communist program which is committed to the ultimate suppression or perversion of national movements, and which employs a revolution only in order to establish a dictatorship. The general lack of understanding, by the great mass of Asians, of the implications and dangers inherent in Communism, is a distinct advantage to the Communists, and will remain so, in the absence of a Western informational program emphasizing the subordination of personal and national interests to Communist objectives.

The vulnerability of Communist movements will be increased to the degree that peoples of the Far East become convinced of the ultimate success of their endeavors to gain and maintain national independence. At the same time it appears essential to develop in the non-Communist peoples of the Far East the will and ability to join effectively with the peoples of other nations in a coordinated opposition to the spread and consolidation of Communist control.

It should be noted that an effort by the West to exploit these vulnerabilities would provoke Communist counter-action, which would decrease Communist vulnerabilities. Western success would depend on early seizure of the initiative, accurate reappraisals of Communist vulnerabilities, and a persistent application of a coordinated and diversified program.

More detailed discussion of the vulnerabilities of Communism in specific Far Eastern countries is given in the attached appendices.

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APPENDIX A

CHINA

A Political Consultative Conference will soon meet in Peiping to form a Communist-controlled "coalition" government of China. That government will probably be proclaimed before the end of 1949, and will invite recognition as the National Government of China. It will assert its authority over all of China, and will actually include, at the time of its proclamation, more than two-thirds of the territory and people of China Proper.

1. Military Vulnerabilities.

Chinese Communist forces currently are capable of launching simultaneous operations against the remaining non-Communist military forces--widely dispersed in the south, southwest, northwest, and southeast coastal areas (including Taiwan) of China--and eliminating effective military resistance by such forces by the end of 1950. The provision of extensive US political, economic and logistic support, as well as US advisers, to any or all of these non-Communist resistance forces, would not prevent their eventual elimination. Even with extensive US support, short of major armed intervention involving the employment of US combat forces, none of the non-Communist regimes in mainland China can survive beyond 1952. Taiwan is the only non-Communist area of China where positive US action could effectually prevent Communist control, but, without US military occupation and control, Taiwan will also fall to the Communists.

The Chinese Communists, however, are increasingly troubled by armed dissidents and guerrillas as they extend their control over China. The Communists have already lost much of their

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popular support, and will meet increasing resistance if the economy continues to deteriorate. There is some possibility that resistance forces will strengthen themselves to the point where they could effectively employ Western assistance. Insofar as the Communists are compelled to divert their energies and resources to the suppression of anti-Communist "bandits," the CCP's manifold political and economic problems will be increased.

The CCP plans to maintain a military establishment of at least 2,000,000 men. The maintenance of such an army, however, will drain a substantial portion of the national income into unproductive fields, with a consequent inflationary pressure on the economy. The CCP may experience difficulty in maintaining internal order, whether it chooses to risk a serious inflation in order to support the army, or to minimize the risks of inflation by reducing the army.

With the military aspects of the revolution diminishing in importance, the civilian leadership of the CCP will be inclined to reduce the prestige and strength of the military leaders; whether the military leaders resist this development, or choose instead to compete with each other for political advantages under the new order, the present effectiveness of the Communist military leadership may be reduced.

2. Economic Vulnerabilities.

a. Food.

China's food position is perennially insecure, and the 1949 harvests were the worst in many years. Import prospects are poor, as there is little likelihood of foreign relief. Foreign exchange reserves and credit are low, and the Nationalist blockade will probably continue. Military and urban consumption will be high and will require heavy domestic requisitions. There will be increased banditry and dissidence among the peasantry in response to the pressures of famine and military extortion.

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b. Industrial Materials.

Petroleum products and raw cotton are the two items most needed by China's present industries and transportation. Also needed are chemicals, dyes, machine tools, repair parts, copper wire, and other materials. As the CCP consolidates its control and achieves political stability, capital requirements for imports will be enormous, with railroad, power, and mining enterprises taking priority; these primary industrial utilities, as it happens, are also badly needed by the USSR.

c. Need to Export.

Because extensive Soviet aid to the CCP is unlikely, the import needs of the Chinese Communists can be met only insofar as they find it possible to export; unlike the Nationalists, China under the CCP will not be able to import far more than its exports by relying on US credits and ECA aid to cover the unfavorable trade balance. This vulnerability is accentuated by the fact that China's principal export outlets have been the US and other non-Communist powers. Joint action by the non-Communist powers to raise barriers against Chinese exports would seriously impair China's ability to pay for its essential import needs. If it is not possible to gain the cooperation of the UK and other governments in such a measure, the US might be able to restrict China's foreign commerce by supporting the Nationalist blockade.

d. Transportation.

The foreign commerce of China moves very largely in foreign ships. This vulnerability is accentuated by the fact that most of the Chinese Nationalist ocean-going vessels have eluded capture. Western support of the Nationalist blockade might assist in denying foreign shipping to the CCP, if the larger shipping companies cannot be otherwise dissuaded from calling at Chinese ports.

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The CCP is vulnerable to attacks on domestic transportation principally because so few routes are available. This weakness can be and is being exploited by Nationalist air attacks on rail lines and shipping. In addition, the material needs of the rail transport system limit substantially its carrying capacity; there is, at present, an urgent need for rails, ties, repair parts, signalling equipment, and lubricants for existing equipment. Such Communist requirements can be denied through extending to China the system of export licenses now applied to the Soviet bloc.

e. Inflationary Pressures.

If the CCP shows itself helpless to arrest price inflation, it will become as vulnerable as were the Nationalists in the field of currency management. At present, the CCP's difficulties in controlling inflation derive largely from their military expenses. Recognizing the dangers of over-issue of currency, the CCP has increased taxation--leading to scattered peasant rebellions--and has reduced expenditures through widespread discharge of government employees, as well as preparing for wage reductions. However, the over-taxed peasantry cannot be counted upon for much additional revenue, and the benefits of layoffs and wage reductions do not cut deeply into a budget swollen by military expenditures.

f. Shortage of Technicians.

To prosecute successfully the CCP's plans for expanding agricultural and industrial output, the unskilled laboring population of China must have the direction of skilled technicians, administrators, and engineers. Shortage of skilled personnel has already handicapped the CCP in governing newly occupied cities, and important positions are still filled by ex-Nationalist officials. The CCP is endeavoring to train its own skilled personnel, but the Party's (and China's) facilities for such education are sharply limited. For many years, the CCP will depend upon the services of Chinese trained in foreign schools, as well as the services of foreigners themselves.

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3. Political Vulnerabilities.

The CCP intends to eliminate all significant organized political opposition, unify the nation under the dictatorship of the CCP, gain the support of all productive elements of Chinese society, and restrict (prior to eliminating) Western influences in China. As it acquires firm control of the nation, the CCP will apply a progressively rigorous Communist program, aiming at the total domination of the individual, and of all elements of Chinese society, by the State, as represented by the leadership of the CCP.

a. Communism and Tradition.

The CCP has stated frankly that it "aims to destroy" the present political, economic, and cultural forms of the Chinese society. Although Communism is not altogether alien to China's bureaucratic authoritarian tradition, Communism will encounter great difficulty in attempting to transfer the loyalty of the ordinary Chinese from the family to the State. China's institutions and behavior patterns are among the oldest and most persistent in the modern world. If the CCP proceeds rapidly in its attack on the Chinese culture, it is certain to encounter considerable active resistance. If the CCP moves slowly, it will risk bogging down.

b. Popular Support.

CCP Chairman Mao asserts that the "revolution in China is a revolution by the masses of people of the entire nation," and that, "except for imperialists, feudalists, bureaucratic bourgeoisie, Kuomintang reactionaries and their henchmen, all persons are our (the CCP's) friends." The first claim has much truth; the second does not. The Chinese people have been less supporters of the CCP than antagonistic to the previous regime. The CCP must enlist the support of peasantry, urban labor, and the middle class, and must provide the social and economic incentives which will ensure their cooperation. If

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the CCP adopts a flexible and moderate program, it can consolidate its political power more rapidly, but at a cost of postponing indefinitely its ideological and economic objectives. If the CCP presses rapidly toward these objectives, it risks destroying the bases of its political power.

c. Default on Promises.

The Chinese Communists are coming to power in the role of social revolutionaries rather than merely as military conquerors. Their promises of a better life have played a major part in their military successes, by sustaining troop morale, weakening the resistance of Nationalist forces, enlisting popular support, and diminishing popular opposition. However, the CCP cannot hope to undertake a program of significant economic reconstruction, or of subsequent industrial expansion, without limiting or decreasing the consumption of certain social groups. The promises of lower taxes and rents in the countryside, and of higher wages in the cities, almost certainly will not be implemented. The probability is high that popular discontent will increase, and the CCP's prestige diminish.

d. Party Unity.

During the process of Stalinization of the Party--consolidation of power, crystallization of dogma, despotism of leadership, incessant intrigue and periodic purges--certain elements of the CCP will necessarily be alienated and cut off. Party unity is probably not threatened seriously by any domestic issue, for Party doctrine sanctions great flexibility in domestic policy. This flexibility does not extend to foreign affairs, however, and Party unity may encounter its most severe test through the CCP's subservience to the USSR.

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e. Sino-Soviet Relations.

The record of agreement between the CCP and the USSR is very impressive, and the public pronouncements of the two parties reveal no differences of opinion. Disagreements may exist, however, or may come to exist, through the settings in which the parties operate, their positions in the world Communist movement, the border regions which separate them, and their economic relations.

(1) Domestic Issues.

Chinese Communist tactics have repeatedly been approved by Soviet spokesmen. It is possible, however, that the USSR will attempt to force the CCP toward orthodoxy more rapidly than the CCP desires, with speedy suppression of the bourgeoisie, nationalization of enterprise, collectivization of the peasantry, and seclusion from the West. A Communist program of such severity would complicate the CCP's problems both in consolidating control and developing production.

(2) Leadership in the Far East.

In its public pronouncements, the CCP has emphasized the "leadership of the USSR" in the revolution in Asia, rather than stressing its own capacities for leadership. However, such capacity exists. The CCP will control the large and influential Chinese communities throughout the Far East. The CCP is likely to provide direct assistance to Asian Communist movements. Should Sino-Soviet relations be exacerbated on other grounds, the CCP might choose to compete with the USSR for leadership of the Communist movement in Asia.

(3) Territorial Issues.

The 2500-mile frontier between China and the USSR provides potential grounds for conflict. The CCP has stated that its armies will "liberate" Sinkiang, but the USSR,

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presently negotiating with the Nationalists for concessions in Sinkiang, may not desire the exclusion of the Nationalists at this time, and may prefer that the Ili government extend its control over all of Sinkiang. In Inner Mongolia, a satisfactory working relation must be achieved between the CCP-influence Inner Mongolian Autonomous Government and the northern Manchurian group oriented toward Outer Mongolia; here again, a Soviet attempt to impose a unilateral decision may meet with CCP displeasure if not resistance. Manchuria is much the most important border region to both parties, military, economically and politically. Unilateral Soviet control, outside the Port Arthur-Dairen area, would mean the frustration of the Chinese desire for sovereignty over Manchuria and the CCP's plans for financing China's economic recovery. Unilateral CCP control is most improbable. The most likely arrangement is that of joint Sino-Soviet control, but there may be frequent dissension over the exercise of authority and the allocation of Manchurian produce.

(4) Economic Relations.

Serious trouble may develop from the control exercised by the USSR over the direction of China's foreign trade. If the experience of Eastern European countries is a valid guide, China will be placed at an extreme disadvantage in trade relations with the USSR. To the extent that the USSR cannot or will not supply China's requirements for materials and equipment, China may feel impelled to turn to non-Soviet sources; and, if China does not have control over the disposition of exports, the CCP may seek credits from the West as well. Moreover, the CCP has stated that only the "anti-imperialist front, headed by the USSR," can be relied upon for "genuine friendly aid." There is a possibility of severe disillusion over the results of Soviet "cooperation" and "assistance."

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1. Recognition.

The CCP desires and needs international recognition of the Communist-controlled "coalition" regime as the National Government of China, for reasons of prestige, in order to obtain goods not available from the Soviet bloc, and to inherit the Nationalists' position in international bodies and in the diplomatic field. If a common front can be maintained among the Western powers on the question of recognition, those powers will perhaps be able to influence to their advantage the foreign policies of the CCP.

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APPENDIX B

KOREA

The greatest weakness of the Soviet-dominated Communist movement in Korea is its inherent incompatibility with the strong, ingrained native feeling of Korean nationalism. Apart from general resentment of foreign interference and domination implicit in Communism, coercive Communist economic and political policies in northern Korea have generated mass antipathy to Communism. The possibility of exploiting Communist weaknesses in northern Korea is limited, however, by the strength of available Communist armed forces. Even should the Peoples Army prove disloyal to the Communist regime during anti-Communist revolts or attacks, sufficient military forces from Communist China or the Soviet Union would probably be available to restore or maintain Communist control. As a minimum objective, however, exploitation of Communist vulnerabilities in northern Korea might disrupt Communist economic, political, and military progress and thereby deter decisive action against the anti-Communist Republic of Korea in the southern zone.

1. Political Vulnerabilities.

Independence, unification, land, and food are the principal desires of the Korean peoples. The Communist movement has generated mass opposition because most Koreans now believe the Communists cannot satisfy these desires. Although Koreans attribute some of the responsibility for the partition of Korea to the US, they place most of the onus for the continued separation on policies of the Soviet Union, and generally realize that a Communist-sponsored "unification" would result in a complete extinction of Korean nationalist aspirations.

Policies of the Communist government designed to develop socialism, and the normal police state methods used to enforce these policies, have further alienated farmers, former landowners,

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youth and labor elements, Christians, and intellectuals in northern Korea. Communist agricultural policy and regimentation of labor are major sources of dissatisfaction. Soviet exploitation of Korean raw materials, the export of rice to the USSR, the shortage of consumer goods, fawning adulation of Soviet culture, perversion of academic work to fit Communist concepts, are other characteristics of conditions in northern Korea that offer specific fields for anti-Communist propaganda in Korea.

The Republic of Korea offers the only alternative to Communism. Although it has not yet developed a particularly strong position among the people, its appeal to Korean nationalism has been adequate to make it generally acceptable in southern Korea, and probably to a large extent in northern Korea, as a preferable alternative to Communism.

The capability of the Republic to exploit the weaknesses of Communism depends on its ability to surpass visibly the Communist regime in satisfying the basic economic and political requirements of the people, and on its ability to develop sufficient military strength to deter a Communist invasion.

2. Military Vulnerabilities.

Communist control of northern Korea depends entirely on the control exercised over the population by the internal security forces and the Peoples Army, under the direction of Soviet advisors. Although large numbers of the Peoples Army might prove disloyal or ineffective in action against armed forces of the Republic, sufficient loyal Communist troops would probably be made available from Communist China or the Soviet Union to insure continued Communist domination of northern Korea. So long as the Soviet Union and Communist China continue to have the capability and desire of supporting

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the armed forces in northern Korea, the Communist regime will remain invulnerable to Republican military action and will be able to maintain its control in the area by police methods.

Communist guerrilla activity in southern Korea is dependent on supplies and personnel infiltrated from the north. The guerrillas receive little willing support from the local population and create resentment by their terroristic methods. The Republic's security forces, almost completely dependent on US support for equipment, are capable of preventing large-scale and effective guerrilla activity.

3. General Vulnerabilities.

All political movements in Korea have suffered from factionalism and the desire of every member to be a leader. The strict discipline of the Communist movement has minimized the usual Korean tendency to factionalism, but personal rivalries and nationalist deviations continue to weaken the Party. In northern Korea, persistent reports hint at an internal contest for power among Kim Il Sung, Pak Hun Yong, and Kim Mu Jong. The presence of Soviet advisors in all government departments and the large number of Soviet Koreans in positions of power within the government probably is resented by native Korean Communists who have not received equal power and privilege.

Discipline and morale probably are fairly high within the Party in northern Korea because of the secure Communist position in northeast Asia. Discipline and morale are probably much lower in the southern Korean Communist underground. The underground has suffered severe reprisals from Republic police action and many of its members may resent the failure of the northern regime to fulfill promises of large-scale assistance or invasion to overthrow the Republic.

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Of the minority of Koreans who actively support Communism in both north and south Korea, it is believed that relatively few are familiar with and believers in Marxist doctrine. Communism has received considerable support from Korean youth because it offers a revolutionary solution to the problems of a predominantly feudal society. The support of some farmers and laborers in northern Korea is maintained by granting favored treatment. Police brutality and government inefficiency have contributed to Communist support in local areas in the south. A fairly large percentage of Communist support, especially among intellectuals, businessmen, and professionals, comes from opportunists who believe Communist domination of all Korea to be inevitable.

4. Special Considerations.

In the final analysis, the strength of the Korean Communist movement depends on the support of the Soviet Union and Communist China. Weaknesses in the movement can be expected to increase only to the degree that external support is diminished and to the extent that the Republic of Korea is able to develop as an acceptable alternative to Communism. The basic weaknesses of Communism in Korea may remain constant over a period of years but the possibility of effective exploitation of the weaknesses depends on the survival of the Republic as a symbol of Korean nationalist aspirations.

Possible measures of exploitation of Communist weaknesses include psychological warfare, propaganda, increasing the appeal of the Republic of Korea as an alternative to Communism, and underground activity in northern Korea. All of these measures are subject to Communist counter-measures, the most effective of which would be an all-out effort to overthrow the Republic of Korea.

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APPENDIX C

JAPAN

The future of the Japan Communist Party (JCP) is confronted by several barriers. Although favored by an inflated economy, the Party is limited by the presence of the Occupation, is increasingly obstructed by a conservative Government, fights an anti-Soviet tradition, and is very much embarrassed by Soviet tactics in repatriating Japanese PWs. The JCP's hold on Japan's largest labor federation has been weakened recently by withdrawal of the anti-Communist Democratization League faction which formed one-quarter to a third of the original federation's strength. Much of the surprisingly large vote received at the last general elections was a protest vote at the Occupation or at the inadequacies of the middle-of-the-road Government rather than a genuine Communist ballot.

1. Political Vulnerabilities.

The Japan Communist Party is opposed by conservative Premier YOSHIDA's government, which is adopting an increasingly anti-Communist stand. The government's Diet majority is sufficient to permit the "steam-roller" passage of Cabinet measures which limits the opposition within the Diet, Communists included, to vocal recriminations. The government has cut Communist paper allocation very drastically, forcing the Party either to reduce its propaganda output or to resort to the more expensive blackmarket. YOSHIDA's party, the Democratic Liberals, is in the process of organizing an anti-Communist Youth Group organization. The YOSHIDA government has been more than willing to meet Communist-instigated force with police action. The government is proceeding on its anti-Communist campaign cautiously, for fear the Occupation will censure "undemocratic" action. Should the government feel free

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in the future to outlaw Communism (and the recent dissolution of the leftist Korean organizations may point in this direction), popular respect for force and authority is such that the Party, going underground, would find itself severely limited in its activities.

The Socialists, the only left-of-center party giving promise of being able to oppose the JCP, have so far categorically rejected all Communist invitations to a united front. The Socialists have, in fact, adopted a program calling for "two front" action, both anti-YOSHIDA and anti-Communist. The Socialist attitude is making itself felt in the field of organized labor at Communist expense.

The association, in the mind of the general public, between the JCP and the USSR, is a point of vulnerability. The historical Japanese antipathy for the Russians dates back to the initial Japanese fears of aggression aroused by the Russian Empire's arrival on the western shores of the Pacific. The Party's repeated avowal of its independence from Kremlin direction is indicative of the necessity for the Party to assume the defensive on this particular point. While the JCP has thoroughly exploited for propaganda purposes Japan's inflation, high taxes, food rationing, the presence of the Occupation and a score of other issues, large segments of the same groups to whom the Party's sales talk appeals have been offended by the JCP's instigation of labor unrest and reputation for recourse to violence. The Party over the past two years has minimized its opposition to the Emperor. With the large body of Japanese, however, the JCP would be very vulnerable to periodic propaganda emphasizing the Party's stand on the Emperor issue.

Perhaps the most serious "vulnerability" is the Soviet handling of repatriation. Again the popular concept that the JCP is subservient to a USSR which has employed thousands of Japanese PWs on forced labor projects and has delayed inexcusably their repatriation, has proved extremely embarrassing to the Party. Should the

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Japanese public be convinced that the USSR is retaining thousands of Japanese after the announced completion of repatriation in the course of a few months, the JCP will find the issue a serious barrier to its advance.

Since Japan has no land tenant problem, the JCP has received considerable opposition from the peasants, a traditionally conservative group. Civil functionaries and a bourgeoisie are largely opposed to the Communists except those businessmen who see the JCP as a means of reviving trade with China.

2. Military Vulnerabilities.

Japan's 1947 Constitution, with its Renunciation of War clause, leaves the country with no military strength other than that of the Occupation. The knowledge that the Occupation Forces are available to make up for Japanese police inadequacies, however, acts as a deterrent to outright resort to force. The presence of the Occupation has a strong psychological reaction on anti-Communist sentiment, encouraging those who fear either external or internal Communist aggression.

3. General Vulnerabilities.

The JCP has several weaknesses which may prove susceptible to exploitation. Party finances come in part from extra-legal sources, such as the profits from smuggling or blackmarket activities. Widescale publicity of all cases on which adequate evidence is available could help put the Party in a bad light, if one may take the ASHIDA cabinet scandals as an example. There probably would be an adverse public reaction to all cases of violence either directly attributable to the Communists or to their instigation.

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The unexpectedly large vote for Communist candidates in the January 1949 general elections, in which they received nearly 10 percent of the ballots, is not necessarily any criterion for judging the Communist Party's hard core. Many individuals voted for the Party as a protest against the ineffectiveness of the middle-of-the-road coalition government, or against the Occupation. In fact, in the event that Japanese economic conditions were to improve measurably in the near future, the Party's support could easily be halved.

4. Special Considerations.

The Communists are capable of taking either direct counter-measures against attack on their vulnerabilities, or of mounting such distractive maneuvers as attacks on Japanese government scandal and inefficiencies. The Occupation can easily be attacked, as no people long enjoys a foreign garrison. Relative to the repatriation problem, it seems unlikely that the USSR can succeed in either convincing the Japanese that thousands of PWs are not being held or else that the US and the Japanese government are solely responsible for the delay in repatriation.

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APPENDIX D

INDOCHINA

The vulnerability of the Communist movement in Vietnam (there are no significant Communist movements in Laos and Cambodia) is somewhat diminished by the fact that there is officially no Communist Party. The Indochinese Communist Party, which had displayed a high degree of organizing ability before World War II and which had led the anti-Japanese resistance movement during the war, voluntarily dissolved itself in November 1945, presumably in order to avoid conflict with the French Communist Party (which at that time was not stressing anti-imperialism) and in an attempt to allay the suspicions of non-Communist forces both within and without Vietnam. The Vietnamese Communists have in this manner been able to disguise Stalinist objectives by subscribing exclusively to nationalist and mildly reformist objectives in the name of the Democratic Republic of Vietnam and in alliance with non-Communist nationalists.

So long as the war against the French forces continues, neither the Communist nor the non-Communist group within the resistance is in a position to carry on an extensive and persistent propaganda against the other without splitting the ranks of the resistance. Both groups are agreed that elimination of all French control is the primary objective. However, with their long experience in the techniques of persuasion and coercion and with their control of many of the important governmental positions, the Communists are playing a winning game. Since the decline of Communist strength in France, earlier Soviet hopes that the French Empire might be delivered into the Communist camp intact have diminished.

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1. Political Vulnerabilities.

a. Opposition Groups Allied with the Communists.

The Communist movement is vulnerable in terms of conservative and reformist nationalists who have avoided collaborating with the French rather than in terms of the existing anti-Communist (Bao Dai) regime, which has failed to win a popular following. However, since party propaganda is believed to be carried on only to a limited extent within the resistance areas of Vietnam at the present time, Communist vulnerability under this head is probably more potential than actual.

(1) The Democratic Party.

The two most important sub-groups within the conservative nationalist camp are the Tan Dan Chu Dang (Democratic Party) and the Roman Catholics. To some extent these two sub-groups may overlap. There are evidences that since its foundation the Democratic Party has tended to become a real entity in its own right. In general, its members are wealthy and well-educated persons who are pro-US and opposed to both French and Communist domination. Reports are that it has some degree of coherent organization and the nucleus of a private police force, and that it controls the Ministry of Justice of the Ho Chi Minh Government down to the local level. The Democratic Party is the natural rallying point of the French-educated Vietnamese intellectuals.

(2) The Catholics.

There are at least one million native Roman Catholics in Vietnam, both communicants and clergy, of whom a considerable number, probably a majority, have given their support to the Ho Chi Minh Government. The stronghold of nationalist Catholicism in Vietnam is the vicariate of Phat Diem in South Tonkin under the guidance of Bishop Le Huu Tu, who, although anti-Communist, has supported Ho Chi Minh and has maintained a firmly anti-colonial position. Communism is potentially vulnerable to the influence of the Church, which

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commands extensive material, as well as popular support, but this vulnerability will remain virtually untested so long as the struggle for national independence continues.

(3) Other Opposition Groups.

Some of the cabinet members in the Ho Government who are non-Communists--ex-mandarins, "independents," Socialists--may have popular followings. The Ministry of Education has escaped Communist control. The administrative chief of the Ho Government in Cochinchina is a Socialist. The powerful Cao Dai religious sect, which now has factions fighting on both sides, would presumably be united in opposing undisguised Communism. The same is true of the Buddhists and Protestants, although the latter do not have coherent organizations. In addition, the Trotskyists are reported to be still active with a secret membership of perhaps 2000.

b. Ability of the Communists to Recruit Supporters.

Experience has shown that the vast majority of the Vietnamese people are willing to support a revolt against foreign rule, whether that revolt is led by the Communists or by any other group. Only when Communist propaganda and action have become obviously Communist and urges policies patently contrary to the national interests of Vietnam will it become vulnerable to counter-propaganda capable of eliciting a strong anti-Communist movement. This will occur only when freedom from French control has been achieved.

2. Military Considerations.

The Communist movement in Vietnam has thoroughly identified itself with a national liberation movement which will probably maintain its solidarity despite French efforts to bring about its disintegration. The forces of this liberation movement are

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capable of continuing to resist the French indefinitely, and are steadily improving their military prowess and equipment. The Communist movement, as such, is therefore not vulnerable to military counter-measures undertaken by, or at the instance of, French forces which can be committed.

3. General Vulnerabilities.

a. Party Unity and Discipline.

The whole question of the extent to which the Vietnamese Communists are united in pursuit of ultimately Stalinist objectives is a matter for conjecture. The dissolution of the Indochinese Communist Party in 1945 may have been designed largely to mislead the Kuomintang and the US, but it is partly attributable, as well, to the first head-on clash with the "Russia First" outlook of World Communism. This took the form of a memorandum delivered by the French Communists of Indochina to the Vietnamese Communists urging the latter to delay the national liberation movement, pending Soviet approval.

At the time of the formation of the Republic of Vietnam in 1945, the Indochinese Communist Party probably did not contain more than 2,000 members. Some of this support may have been opportunistic, in the sense that the expression of antipathy to French rule was scarcely possible except through clandestine action. Ho Chi Minh states that he was a member of the Communist Party before World War II because in no other way could he fight for Vietnamese independence and at the same time protect himself from the French authorities. Nationalism has always been an incomparably more dynamic force in Vietnam than has Communism. The stress imposed on the Communist movement under conditions of political independence, which would further tend to bring to the surface the fundamental incompatibility of Communism and nationalism, could produce a further disintegration of the "hard core" of the Communist movement.

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The prospect of Chinese Communist domination of the Vietnamese can be expected to provide a vulnerability in attempts to communize Vietnam. The historical dislike for the Chinese may prove even stronger than ideological affinity with the Chinese Communist Party. There is already some evidence that the Indochinese Communists have failed to cooperate with CCP attempts to provide directives regarding party regulations and procedures. Because of the antipathy to the Chinese, it can be expected, at least for the present, that a formal acknowledgment of CCP support would split the resistance movement instead of adding strength. In the long run, however, faced by a continuing war with the French for control of the country, the Ho Government might choose as its only alternative full cooperation with the Chinese Communists in its efforts to win complete control of Vietnam. Should French troops withdraw from Indochina, the chances of Sino-Vietnamese cooperation would become much less probable.

b. Counter-measures by the US and Western Governments.

There is almost no effective manner in which Western governments unilaterally through the French can oppose the trend favoring the Communists so long as the indigenous, potentially anti-Communist forces accept predominantly Communist leadership in order to eliminate French control. Within the setting of the present military stalemate, Western policies which are not readily susceptible to Communist counter-measures are of a very limited sort. Voice of America broadcasts pointing up the distinction made by US policy-makers between Red Imperialism and Titolsm, and pointed references to Soviet encroachment in Manchuria might be of value in weakening the solidarity of the Communist movement in Vietnam. Discreet encouragement of the formation of a Southeast Asian confederation would harmonize with the prevailing fears of Chinese imperialism, now linked with the Communist advance in China and infiltration of Chinese overseas communities. Encouragement of the Catholic-nationalist aspirations of the Le Huu Tu group would

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reinforce the contention that the US is not opposed to genuine nationalist movements. A program designed to help Vietnamese students enroll in US universities would be avidly seized upon by young Vietnamese and would strengthen US prestige.

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APPENDIX E

THAILAND

Thailand, politically and economically, is relatively less susceptible to the ideological appeals advanced by international Communism than are other countries of Southeast Asia. The majority of the population is satisfied with its economic lot, which represents a relatively high Asiatic standard of living, and is proud of the country's history of political independence. The monarchical concept in Thailand has a strong hold on the loyalties and imagination of the people. Thailand's leadership has been trained in Western Europe and American democratic traditions, and the peasantry was less aroused politically by the events of World War II than that of adjacent countries. For these basic reasons Communism fails to find any sizable following in its appeal for liberation of the masses from economic or political bondage. The only significant number of Communists are Chinese, who are unpopular and are discriminated against in Thailand.

Thai identification of the Chinese with Communism at present prohibits open collaboration between the presumably distinct Thai and Chinese Communist organizations. At present, Communists are relatively vulnerable to Thai police controls, do not conduct a militant program, and attempt to reach their objectives through propaganda media rather than relying upon military force. Chinese leadership of Asian Communism and Chinese Communist successes in China enhance the position of Communists within the Chinese community in Thailand. Thai economic and racial nationalism is the major limitation to the spread of Communism, but, in the presence of an expanding Communist China, Thai nationalism nevertheless may play a subordinate role to the traditional tendency of Thai leaders to accommodate themselves toward the dominant Asiatic power.

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1. Political and Economic Vulnerabilities.

The present government and all-important Thai political factions are pro-Western and anti-Communist. Although the paternalistic Thai Government has not been able to eradicate certain inequities inherent in the Thai way of life, it is attempting to mitigate, within limits, the existing economic and political problems which could be exploited to the advantage of the Communist movement. The Thai Government is believed to be making a more effective appeal to a majority of the Thai population than are the Communists, whose approach is one of continued criticism of governmental policies and practices without offering constructive alternatives.

A distinct weakness in the Communist effort is the very limited range of its propaganda outlets. Outside of the Thai capital, Bangkok, there have been few known Communist attempts to propagandize the Thai population. Intelligent use of the US Information Service in rural areas should provide an excellent opportunity for inculcation of democratic ideas. In Bangkok, however, a heavy Communist propaganda campaign in the Chinese press is believed serious enough to warrant a strong counter-effort to present adequate factual news coverage to the Chinese community there.

The large majority of Thai and Chinese are politically inarticulate, and, so long as the Thai Government continues to exhibit an interest in the welfare of Thai people, it probably will be able to offer a continuing alternative to Communism adequate in appeal to the majority of the people. Not only does the mass of the Thai peasantry remain immune to Communism, but also the very nature of the Thai social structure, and its governmental tradition and economic well being discourage the acceptance of Communism. Vigorous Western encouragement of the Thai Government's progressive measures, through economic and technical assistance designed to enhance and enlarge Thai capabilities, very possibly would limit further Communist opportunity to exploit potentially dangerous situations.

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2. Military Considerations.

The Thai Government at present is able to maintain a reasonable degree of control over Thai and Chinese Communists by means of police measures. The extent of police effectiveness, however, has not really been tested, since the Communist groups only rarely have resorted to violence. Should a Communist military effort develop, however, the serious antagonisms between elements of the Thai armed forces may prevent effective use of a counter force. In the absence of direct aggression from Communist China, the Thai Government should be able to maintain internal security, because the existence of the Thailand Communist movements depend upon tight party discipline and covert organization, rather than upon the possession and utilization of military force. To the extent that governmental efforts toward control are not diluted by corruption and fear of antagonizing Communist China, the internal Communist movement does not provide a military threat to Thailand.

3. General Vulnerabilities.

The internal problems of the Communist organizations in Thailand are an unknown factor. Apparently, however, Communist Party unity, discipline, and morale are good, particularly following the rapid southward sweep of the Chinese Communist regime in China. The absence of widespread support, however, is indicated by the mere handful of Thai Communist numbers. This group is believed to be composed of no more than some 200 intellectuals and dissatisfied workers. Support from the Chinese community for the Communist movement is far larger and appears to arise primarily from intense dissatisfaction, disappointment, and bitterness at the Chinese National Government, together with a mounting tendency toward identification with the Chinese Communist movement for opportunistic and patriotic reasons.

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There is no doubt that identification of Communism in Asia with Chinese leadership is a major deterrent among the Thai to the effectiveness of the Communist effort in Thailand. Within the Chinese community, however, this factor enhances the prestige of the Chinese Communists and appeals to the patriotism of the overseas Chinese minority. The Thai are less concerned with USSR leadership of World Communism than they are afraid of the extension of Chinese influence and domination in the form of an expanding Chinese hegemony in Southeast Asia. Exploitation of this natural Thai antipathy for the Chinese should prove to be an effective instrument for the containment of Communism.

4. Special Considerations.

Communist vulnerability to Thai police controls appears to be lessening somewhat as the Communist regime in China expands into southeast China, the area from which most Chinese have emigrated to Thailand. The threat of deportation to Nationalist areas in China may be losing its effect as a control measure over the activities of Chinese communities. A more insidious factor is the increasing ability of Communists to protect themselves against Thai security measures through bribery of Thai officials.

Although nationalism will continue as a major limiting factor, the tendency of Thai leaders to accommodate themselves to the dominant power in Asia indicates that Thai nationalism will diminish as a force operating to minimize the growth of Communist influence in Thailand. This trend probably will progress in proportion to the extension of Chinese Communist interests and prestige in Southeast Asia.

Opportunities for Western exploitation of Communist vulnerabilities in Thailand will continue to exist. Every Western effort to assist Thailand economically or politically, however, has been attacked in the Communist press as an "imperialist" attempt to control Thailand's resources and people. Additional Western assistance, whether military, financial or technical, would be subjected to increasingly vitriolic condemnations. The Thai Government would be further labeled as a vassal of the "imperialist" powers. To a limited extent, this propaganda line is effective among the most avid Thai nationalists; the majority of Thai leaders, however, are sufficiently pro-Western in sympathy and training not to be deceived.

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APPENDIX F

BURMA

The Communist movement in Burma exhibits certain vulnerabilities which the Burmese Government has not been able to exploit fully, and it is unlikely that full advantage can be taken of these weaknesses unless the Government is offered and accepts external assistance. Chaotic conditions within the country, military ineffectiveness, and an intense nationalism which fosters distrust of outside aid or advice have increased the ineffectiveness of government efforts to combat the Communists. But Communist vulnerabilities--which include a split within the movement, a program strikingly similar to the government's, and an ignorance of the inherent danger to their sovereignty in international Communism--may be exploited by competent leadership in the government and through external assistance.

1. Political Vulnerabilities.

The government of newly independent Burma maintains a strong anti-imperialist attitude, and its program for reconstruction and development of the country is based on state socialism. The armed rebellion of the two Communist parties--the Burmese Communist Party (BCP) and the Communist Party (Burma) (CPB)--represents a fundamental difference as to the means of achieving the same ultimate objectives as proclaimed by the government. In most respects basic government policies--political freedom, economic security, a socialized welfare state through the redistribution of land, industrialization, state control of the means of production, and equitable distribution of surplus wealth--parallel those advocated by the Communists. The government theoretically also offers, but through evolution, this utopia without bloodshed, while the Burmese Communists advocate these changes through resort to violence.

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This similarity in aims, but with a difference in implementation, makes the government's position potentially the more attractive. The government must intensify considerably its efforts to establish itself in the minds of the Burmese as the true advocate of nationalism and of improved conditions in Burma, while identifying the Communists as the proponents of violence, acting under foreign instructions. Its ability to do this without the judicious application of outside assistance, however, is doubtful.

2. Military Considerations.

The Burmese Government cannot, in the foreseeable future, destroy the armed Communist opposition without external assistance. Prolonged guerrilla warfare is likely. The government's armed forces are superior to those of the Communists in terms of manpower and material but are, nevertheless, severely handicapped in a number of respects. The most important is the wide dispersion of government forces throughout the country to fight a variety of other insurgents, in addition to the Communists. Other problems are: (1) inefficient transportation and communication systems, (2) the necessity of importing most military supplies, which are limited by depleted Treasury resources, (3) defections, and (4) a shortage of technically trained leadership.

Thus, while the Burmese Communists possess some degree of military vulnerability, the government, even with superior forces, has been able at best only to protect selected centers of population, and without external assistance will not be able to suppress the Communists in the near future, especially if they are aided by Chinese Communist Forces.

Another facet of Communist military vulnerability is the mutual animosity of the two Communist groups and other rebellious elements; clashes between them have been frequent. This is at best a negative benefit, however, for the government has not been able to take full military advantage of this schism.

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3. General Vulnerabilities.

There are indications that BCP unity, discipline, and morale have declined recently but this trend does not appear to have reached disruptive proportions. Nevertheless, most BCP leaders seem to work with reasonable consonance, have kept the Communist machine functioning, and have given no indication of digressing from their present course for the foreseeable future.

The demarcation between Communists, actual and intimidated sympathizers and bandits operating under the cloak of Communism, is not clear. It is thought that rank and file party members are mostly opportunistic followers of local leaders, who bear a grievance against the government, or those who have succumbed to plausible Communist propaganda promising improvement of their standard of living. While actual BCP members probably number only a few thousand, the Party commands a considerable popular following of perhaps several hundred thousand.

The extent to foreign control over the BCP is still an unresolved question. Strong foreign influence is discernible in its propaganda and in its growing compliance with the orthodox Communist doctrine and use of violence. The BCP had demonstrated its amenability to foreign "advice," at least on a policy level, and it would probably accept material assistance with alacrity. However, it is entirely possible that the Communist movement in Burma would be seriously retarded in the event of large-scale and overt foreign intervention, either Chinese or Indian, in the implementation of policy.

Finally, the various ethnic minorities, who populate Burma's border areas, are strongly anti-Communist. As such, they constitute a possible buffer between the main centers of the Burmese Communist movement and those of surrounding areas.

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4. Special Considerations.

Because of the intensity of Burmese nationalism and the inherent distrust of any kind of foreign intervention, the utilization of Western assistance by the Burmese Government, which might give it the necessary strength to establish itself as the genuine advocate of nationalism, is a complex and delicate problem. Recently the government, probably realizing finally its extremely tenuous position, has manifested a greater degree of amenability toward proffered external (Western) assistance, in matter of finances and technical assistance. Only acceptance and effective use of assistance from nations respecting Burma's sovereignty appear to be Burma's most promising means of undermining Communist influence.

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APPENDIX G

MALAYA

The major weakness of Malaya's militant Communist movement at present is a military one. British forces have demonstrated their ability to diminish the effectiveness of Communist-led guerrilla units. In addition, the Communist effort--predominantly Chinese--has failed, because of a basic racial antagonism toward the Chinese among the Malays and a "wait-and-see" attitude on the part of most Malayan Chinese, to secure voluntary mass support for its cause. The Communist movement in Malaya suffers from a lack of coordinated, competent leadership and has not yet received any significant external assistance. These facts have led to another, and reportedly increasing, weakness: a lowering of morale. Continued Communist successes in China, together with a possible UK rapprochement with the Chinese Communists for commercial reasons, may, however, enable the Malayan Communist movement to regain the initiative and thereby minimize its present vulnerabilities.

1. Political Vulnerabilities.

The British Government in Malaya currently offers an alternative to Communism adequate in appeal to a majority of the people. This appeal is particularly strong among the Malays, who are one of the two major and numerically almost equal racial groups in Malaya.

The Malays, whose political supremacy (as the indigenous people) over the Chinese is guaranteed under the present British policy, are quite sensitive to any suggestion of a change in government which might threaten their favored position. They particularly fear political control by the more

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aggressive Chinese who already dominate the economic life of the peninsula; they would also be solidly against any suggestion such as the subordination of their national interests to USSR interests. Since the Malayan Communist movement has from its inception been almost wholly Chinese, they are antagonistic to it on racial as well as political grounds. The average Malay, too, is not susceptible to Communist promises of economic improvement; his major interest is maintenance of his status as a small landowner responsible only to himself. His Moslem religion is a further deterrent.

On the other hand, the Malayan Chinese, with their close political, social, and economic ties to China, their proclivity toward opportunism, and their real or imagined grievances under British rule, are considerably more susceptible to Communist blandishments. Communism's major vulnerability here lies with the bourgeois Chinese's involvement with Malaya's economy: the extent to which he will align himself with the British Government against Communism will probably be decided by his personal business interests.

The most effective exploitation of these vulnerabilities is, among Malays and Chinese alike, education in the meanings and implications of Communism, plus a concerted effort to increase Chinese loyalty to Malaya and to raise the general standard of living.

2. Military Vulnerabilities.

British Security Forces are now engaged in suppressing militant Communist terrorists. Their efforts have been increasingly successful and, barring hostile foreign intervention or the necessity for drastic retrenchment, they will be able to put down this insurrection, at least temporarily, without external assistance.

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The Malayan Peoples' Anti-British Army (MPABA), the Communists' fighting organization, has not had the popular support it anticipated, and has had to resort to intimidation and extortion to supplement voluntary contributions. It has exercised terroristic control over certain squatter areas (land illegally occupied by displaced or immigrant Chinese) whose population is easily susceptible to such intimidation. In addition, there is some evidence of forced recruiting into the MPABA.

Increased military measures against the MPABA can be expected to show proportionately increasing success. Full deployment of existing troops has already had a good effect, not only militarily, but also in the important task of increasing the population's faith in the ability of the British to maintain control of the area. For the opportunistically inclined, this latter consideration is most important and is one strong reason why Malaya's Communists have so far lacked real popular support and are now confronted with mounting desertions.

3. General Vulnerabilities.

Communist morale is low, largely as a result of two causes: (1) continual political and military harassment by the British, and (2) lack of support from the populace. Central direction of the Party seems slow and insubstantial. It is thought that very few, perhaps only an estimated several hundred "hard-core" Communists, have anything but a very limited conception of international Communism and its dangers. Many of the 3-5000 militants are probably opportunistic Chinese who have found an outlet for their grievances and who are spurred on by the Communist successes in China. The problem, then, in exploiting these weaknesses is one of education, accompanied by attempts to eliminate inequities under the present government which increase dissension and explode into misguided militancy.

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APPENDIX H

PHILIPPINES

The principal vulnerability of Communism in the Philippines is the weakness of the local Party itself. In addition, Communism as a theory of government, although vaguely understood, is widely feared and disapproved by the Filipino people, 80 percent of whom are of the Catholic faith. The Communist-led Huks depend upon the local peasantry of central Luzon for supplies and recruitment and are incapable of overthrowing the present government without external assistance. Although social and economic inequalities susceptible to Communist exploitation do exist in the Philippines, the comparatively higher standard of living presently being maintained will probably prevent any rapid growth of Communism in the near future. Furthermore a widespread antagonism towards any extension of Chinese influence stands as a deterrent to the extension of Communism by means of the Chinese.

1. Political Vulnerabilities.

Although the existing non-Communist regime in the Philippines is corrupt and inefficient, it is still acceptable to politically conscious Filipinos in preference to Communism. A more efficient and honest government, however, which can command greater respect from the people, will probably be required in order to check the gradual growth of Communism within the next few years. The Philippine Communist Party (PKP) is so small that the political danger it represents is not that Communists will suddenly seize control or win popular approval but that they will infiltrate into the government through a coalition. The fact that approximately 80 Percent of the Filipino people are Roman Catholics may have tended to prevent the spread of Communism, although Philippine Communists reportedly have never preached atheism.

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2. Military Vulnerabilities.

The chief weaknesses of the Communist-led armed peasant movement (Hukbalahap) are its inability to overthrow the government without external assistance and the generally localized area of its operations (central Luzon). The government could take advantage of these weaknesses by strengthening its immigration controls and security facilities. Other weaknesses include lack of facilities for arms manufacture and some dependence upon forced recruitment. The government could exploit these vulnerabilities by providing stricter control of firearms and more adequate protection of peasants who refuse to join the Huks.

3. General Vulnerabilities.

Although social and economic inequalities susceptible to Communist exploitation do exist in the Philippines, the standard of living presently being maintained will probably prevent any rapid growth of Communism in the near future. In order to prevent the possible future extension of the Communist movement, however, the Philippine Government must take immediate steps to develop a viable economy and to improve the standard of living.

The Philippine Communist Party (PKP) is young and inexperienced. It is believed to have approximately 3,000 active members, of whom fewer than 100 are believed to be trained and indoctrinated Communists. The most important Communist front organizations are the Hukbalahap and the Congress of Labor Organizations. Many peasants of central Luzon who join and support the Huk army and who give moral and material aid to the Huk cause do so largely as the result of depressed socio-economic conditions in central Luzon. The Congress of Labor

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Organizations (CLO) recruits and holds its followers by posing as the center of the progressive labor movement. Members of most affiliated unions apparently go along purely out of self interest and probably in ignorance of the motives of their leaders. By encouraging anti-Communist progressive labor unions and acquainting workers with Communist methods, the government could help to prevent the expansion of Communist influence in the labor movement.

Some liaison is reported to exist between Chinese and Philippine Communists within the Philippines but there is no evidence of instructions either from the mainland or from Chinese in the Philippines.

4. Special Considerations.

The Filipino people generally will remain anti-Communist and sympathetic toward government counter-measures. The Communist Party, however, is expected to remain a growing factor in Philippine politics. Government success in relieving economic and social distress in central Luzon does not appear likely, although a successful extermination campaign against the Huks might eliminate lawlessness temporarily. The Congress of Labor Organizations grew in prestige and probably in membership during 1948; although it has suffered a recent split in leadership and consequent loss of union affiliations, long range plans and achievements will probably remain unaffected.

Opportunities for exploitation of Communist vulnerabilities in the Philippines do not appear to be particularly susceptible to Communist counter-measures. Philippine Communists will not for a long time be capable of executing a successful coup against the national government and would probably be unable to take other effective counter-measures against exploitation of their weaknesses by techniques outlined above.

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APPENDIX I

INDONESIA

Unless there is a settlement in the near future which embodies the transfer of sovereignty from the Dutch to the Indonesians, Communism as a militant rallying point for nationalism in Indonesia may be strengthened. At the moment, the lack of open conflict between Indonesian Communists and the Republican Government is due primarily to reduced Communist strength as a result of Republic countermeasures, to the presence of Dutch military forces in Indonesia, and to schisms among Communist elements. If nationalism is recognized and implemented in the settlement now being negotiated in The Hague, the danger from Communist consolidation may, however, be minimized and the schisms within Communist groups between those advocating Pan-Asian Communism and those prosecuting Marxist-Leninist Communism, will be preserved. As long as the nationalist movement is led by a more moderate group, the Communist elements will be highly vulnerable to the charges that they represent Chinese Communist influence or Soviet interests. Furthermore, the Muslim religion of Indonesia represents another possible bulwark against Communist influence.

1. Political Vulnerabilities.

A non-Communist Indonesian regime offers a prospective program of limited nationalization, which, if the Indonesians achieve their objectives during the present negotiations with the Dutch, should have more appeal than anything which the Communist elements can offer. US support of Indonesian aspirations at The Hague Round Table Conference, followed by US financial and technical aid designed to raise the Indonesian standard of living, should assist in consolidating moderate leadership in Indonesia. Communist efforts will necessarily be

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vulnerable to charges that they wish to destroy the progress which has been made, and that they advocate an importation of alien influences, almost certainly Chinese rather than Soviet-led, which have few possibilities of contributing to the economic and political stability of the area.

2. Military Vulnerabilities.

The Indonesian Republican Government has demonstrated a reasonable ability to suppress Communist armed uprisings in the past without outside help. It is expected, however, that Communist elements will continue to maintain military units as a means to achieve their ends and that the government will be unable to eliminate them completely. Under these circumstances, Communist elements will be vulnerable to charges that they have no interest in achieving peaceful conditions in Indonesia and that they are instruments of disruptive alien influences.

3. General Vulnerabilities.

Countermeasures by the Indonesian Republican Government have disrupted Communist organizations, eliminating much of the leadership of Communist groups, and have been successful in playing one group against the other. The schisms which now exist, and those which could be brought about by further revelations of connections, particularly with Communists in China, remain the most important vulnerability of the Communist movement in Indonesia. Indonesian nationalism, which prompts these countermeasures, must, however, be given continuous and sympathetic support from the West.

4. Special Considerations.

The vulnerability of Communism to efforts by Islam is probably increasing, but not at the rate at which anti-Chinese sentiment will increase. Immediate exploitation of the latter development would be more fruitful.

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While it is true that any assistance given to Indonesia by the United States will be subject to strong propaganda attacks from Communist sources, US aid and encouragement which conform with the requirements of Indonesian sovereignty would quite likely result in the development of an effective Indonesian government favorable to the US, and increasingly possessing the will and capability for opposing Communism in concert with the West.

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APPENDIX J

INDIAN SUBCONTINENT

The success of Communist movements in India, Pakistan, and Ceylon is dependent almost entirely at this time upon adverse economic conditions in those countries. The size of a Communist Party membership is no indication of the number of believers in Marxism. The population of the subcontinent is neither sufficiently educated nor sufficiently conscious politically to react favorably to purely ideological arguments. The measure of Communist progress in the subcontinent is therefore a direct function of the number of promises of economic advancement which the Communists can make and the speed with which these promises can be put into effect. In many cases the economic aims of the Communists and of the existing governments are similar. The means of achieving popular support are the same. Thus, if the existing governments can bring about a steady improvement in the standard of living within the next few years, the Communist movement will have no hope of success. On the other hand, if they fail to do so in the near future, Communist supporters will increase in number until they may be able to wrest control from the present national governments. The latter will all require a measure of US financial and technical aid within the next few years in order to establish themselves securely. Whether or not they will receive sufficient assistance to enable them to do so remains to be seen.

1. India.

The Communist movement in India is presently dependent upon a small, trained leadership, most of whom are well known to the police and who can be arrested whenever necessary.

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Simultaneous removal of these leaders from the field of action has in the past practically wiped out Communist leadership at one stroke, thereby leaving the party badly disorganized.

Concomitantly, the Party seeks membership or sympathy among masses who are economically rather than ideologically dissatisfied. Professed party aims are not sufficiently divergent from those of the Government of India to stimulate mass interests. The GOI, as well as the Communists, is interested in socialization of industry, re-distribution of land, abolition of feudal land system, etc. Satisfactory change in these fields under the auspices of the GOI would leave the Communist Party little to promise and the number of Communist sympathizers would diminish rapidly. In the field of labor, as in the case of the peasantry, the Communists also lack mass support. The Congress-sponsored Indian National Trade Union Congress, in spite of its recent origin, is now stronger than the Communist-dominated All-India Trade Union Congress. And, as the peasants are not yet fully organized by either group, it is possible that the Congress Party, which is aware of the necessity of gaining their support, may win the race to obtain it.

Limited Party membership in itself constitutes an element of weakness in the Communist movement in India. Except in certain portions of the Deccan, its size renders it subject to effective police control and the lack of sufficient armed force to challenge the existing military might of the GOI accentuates this deficiency. Illustrative of the problems contingent upon small membership are certain violent actions, mainly around Calcutta, which were not large enough to get beyond control and thus led only to severe repression. Further, faulty staff planning has, on occasion, prematurely tipped the Communist hand and led to the imposition of severe suppressive measures as, for

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example, in the case of the abortive nation-wide railway strike in March 1949.

2. Pakistan.

The Communist movement in Pakistan is presently weakened by a lack of first-class leadership. Communist leadership in what is now Pakistan was completely disorganized upon the partition of India and there have been no signs of real revival. While the tenets of Islam are usually used as the excuse for the difficulties attendant upon promoting Communism in Pakistan, the Party in fact is dependent for a following upon economically dissatisfied persons or political fortune-hunters rather than upon persons genuinely interested in Communism. There is a complete lack of sufficient armed forces to challenge the existing government by violent means.

3. Ceylon.

In Ceylon the Communist movement is impeded not only by a lack of really competent leadership but also by disunity of thought and action among the three Communist political parties in the country. Stalinist, Trotskyite, and Leninist parties devote more effort to sparring among themselves than to opposition to the political party in power. Additionally, economic conditions, which are better in Ceylon than on the Indian mainland, do not constitute a powerful force favoring the growth of Communism.

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