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ESTIMATE OF THE CONSEQUENCES OF THE EMPLOYMENT OF
CHINESE NATIONALIST FORCES IN KOREA

ASSUMPTION: That hostilities have not spread beyond the borders of Korea
at the time of a decision to employ Chinese Nationalist forces
in Korea.

Document No. _____
Review of this document by CIA has
determined that

I. Immediate Military Consequences

- CIA has no objection to declass
 It contains information of CIA
interest that must remain
classified at TS S (U)
Authority: HR 70-2

II. Political and Strategic Consequences

It contains nothing of CIA interest
Date 2/2/81 Reviewer 19360

A. Chances of UN Support of Employment of Chinese Nationalists

The United States would have little prospect of gaining UN
support for a proposal to use Chinese Nationalist troops in Korea since
a majority of the nations involved would be opposed, first, on the grounds
that such a move would increase markedly the danger of general war, and,
secondly, because of opposition to giving the support to Chiang K'ai-shek
that such a move would imply. (For individual country reactions see
below.)

B. Effect of Unilateral US Employment of Chinese Nationalists

1. Effect on UN and NATO Countries

A unilateral move by the United States would undoubtedly intensify
the current feeling in the UN, particularly in Britain and France, that
Western European views are not being given sufficient weight on issues
felt to be crucial in averting full ~~scale~~ scale war. The Western European
powers, moreover, would feel strongly that the US was further jeopardizing
the defense of the European continent -- to which they believe first
priority should be given -- by becoming increasingly involved in long
drawn out hostilities in Asia. In the case of France, opposition to the

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use of Chinese Nationalist forces would be further bolstered by fears lest such action encourage the Chinese Communists to increase their present assistance to Ho chi Minh while the United Kingdom would similarly feel apprehensions concerning Chinese Communist moves with regard to Malaya and Hongkong.

Australia and New Zealand would share the apprehensions of the Western European powers that the United States was moving in a direction likely to provoke general hostilities, but might nevertheless support the US move since these countries are less hopeful than the European powers of the possibility of agreement with the Chinese Communists and feel their strategic interests to be directly and closely affected by developments on the Asiatic continent.

2. Effect on Other Asian Countries

Of the Asian powers, only the Philippines would approve unconditionally. Thailand, although continuing to support the US effort in Korea, would be extremely uneasy with regard both to the prospects of extending the war and to supporting Chiang and would be likely to attempt to disassociate itself from the use of Nationalist troops, probably by refraining from any official comment on the matter. Japan would feel barred by its occupied status from criticism of the move but Japanese leaders privately would tend to feel that the possible military advantages would be outweighed by the resultant weakening of UN unity and the enhanced risk of general hostilities. Pakistan's attitude would be ambivalent: on the one hand, internal political considerations would probably force the government to avoid public commitment on the question; on the other, government leaders would feel privately that militarily the move was logical and justifiable.

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Elsewhere in Asia, sentiment would be decisively against the United States move as providing a pretext for increasingly militant Chinese Communist activities and closing all possible diplomatic channels; undermining the UN and the collective interests of Asia by unilateral decision; and giving support to what Asiatics generally regard as a reactionary and incompetent clique already repudiated by its own people. In Asiatic countries with large Chinese communities, the fear of internal consequences would be strong, since it would be anticipated that US use of Nationalist troops would cause some hitherto neutral or lukewarm overseas Chinese to align themselves definitely with the Communists.

Hostile reactions would be particularly strong in India where indeed the government would probably use its opposition to unilateral US employment of Nationalist troops as a pretext for disassociating itself entirely from the UN action in Korea. Reactions of similar intensity could probably be anticipated in Burma and Indonesia.

In Indochina both the French and the local population would regard the move as increasing the danger of Chinese Communist invasion while, among the local population, propaganda claims that the US supports the reactionary elements of the Far East would be given additional evidence.

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3. Effects on Chinese Nationalists

Chiang K'ai-shek and his supporters would welcome the opportunity to employ Nationalist troops in Korea as providing them once again with a foothold on the mainland; enhancing the status of Nationalist China as a member in full standing of the UN; and minimizing the possibility, at least for the present, of an alteration of the status of Taiwan.

The use of Nationalist troops in Korea could be accomplished expeditiously only by full recognition of Chiang's authority over them. Chiang's leadership would thereby be reinforced; the pressure of a pending UN investigation that seems to have been responsible for such reforms as the KMT has made to date would be substantially diminished; younger and more progressive KMT elements who hoped for a thorough going revitalization of Nationalist leadership would be correspondingly disheartened; while a large proportion of the Taiwanese would lose all hope that UN action would either remove the authority of the KMT or else force the KMT to undertake reforms in the direction of making the government more responsive to the aspirations and needs of the people of Taiwan.

Furthermore, our acceptance of Nationalist troops for use in Korea would enable Chiang to put increased pressure on the US for aid and encourage him to seek to hold the US responsible for undertaking the support, equipping, and effective use against the Communists of all the Nationalist armed forces.

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4. Effect on Non-Communist Chinese

The employment of Nationalist troops in Korea would be likely to hearten strongly pro-Nationalist elements and to encourage some active anti-Communists who have no great sympathy for the Chiang government but who nevertheless might view the entrance of Nationalist China into the Korean war as a step toward the ultimate destruction of the CCP regime. However, the group so affected probably does not now form a very significant proportion of the non-Communist population.

In spite of growing popular disillusionment and discontent with the CCP, the majority of the Chinese people have not forgotten the corruption and incompetency of the Nationalist Government. Many farmers and laborers, although lacking strong political leanings, nevertheless feel they have a vested interest in the present regime and its promises of land reform and better working conditions and would regard Chiang's possible return as a threat to their interests.

The reaction of the smaller, but politically more significant, group of educated, middle class Chinese would be one of dismay. In their minds US employment of Nationalist troops would indicate the inevitability of conflict between the CCP regime and the US and destroy all hope for an eventual peaceful settlement of the present unstable conditions. Many who still hope for the reorientation of the regime away from the USSR and toward the West, or at least some rapprochement with the US, would lose faith in the US. Many would regretfully take the US action as conclusive evidence of a US intention of restoring Chiang to power on the mainland and as final proof of Communist-alleged American imperialism in Asia. Most of this group would see no alternative to complete support of the Communists' anti-American course. Some might still hope for an American victory although remaining loyal to Nationalist leadership in China.

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5. Effect on Chinese Communists

US employment of Nationalist troops in Korea would cement and strengthen the foundations of the Chinese Communists' alignment with the USSR and would confirm them in support of overall Soviet strategy. There is fair ground for belief that the decision for Chinese Communist intervention in Korea was not adopted without considerable opposition by a group within the top Pei-p'ing leadership which has not been happy over the all-out Moscow tieup and which felt that China's involvement in war with the US -- at least at the present stage -- would be ultimately disastrous for China and should not be considered as an inevitable contribution to be made to Moscow's world program. Our employment of Nationalist troops would discredit and disillusion this group by providing "evidence" of an unalterable determination on the part of the US to accomplish the overthrow of the Communist regime and to replace it by the hated Kuomintang. Under such circumstances the group would probably have no alternative but full support of Moscow's program. From the immediate standpoint, it would remove any slight chance there might be of the Chinese Communists' being willing to accept a compromise settlement in Korea.

In the meantime CCP would be quick to exploit the US support of KMT troops as final confirmation of all past Communist allegations of American "imperialism" and "aggressive designs" and thereby achieve telling effects on all presently "fence-sitting" countries.

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Another effect of our employment of Nationalist troops, which, while perhaps not of immediate consequence, might be of later importance, is the influence that such action would have on certain military commands within the Chinese Communist Army which, there is some reason to hope, might at some future propitious moment be ready to defect from the Communist side.

6. Effect on Guerrilla Groups and Third Force Prospects

Evidence suggests that, while certain guerrilla groups are under Nationalist control or would accept Nationalist leadership, the greater proportion of guerrillas and other discontented elements would not subscribe to Nationalist leadership and would seek rather to accomplish their aims through the organization of some form of third force. US employment of KMT troops by discouraging both these elements and potential Communist defectors as to the prospects of eventual US support for a third force might destroy the possibility of the organization of such a force without which there would be little prospect for the overthrow by internal action of the relatively well-entrenched CCP regime.

7. The USSR

Moscow would probably welcome a unilateral US decision to employ Nationalist troops as further embroiling the United States with Communist China without forcing the USSR into decisive action, as driving a rift between the United States and its allies, and as providing additional support for the international Communist propaganda attempt to depict the United States as imperialist, intent upon war, and fostering and supporting reactionary regimes.

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