TAB "A"

G-2 CONTRIBUTION TO N.I.E.-36: BURMA: PROSPECTS FOR SURVIVAL OF THE PRESENT REGIME

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I. STABILITY AND MILITARY CAPABILITIES OF THE BURMESE GOVERNMENT

- B. Size, Combat Effectiveness and Reliability of the Wilitary Forces
 - 1. Ground Forces
- a. Strength and Composition -- Regular and auxiliary Burmese ground forces are estimated to number 43,000 troops at present.

The Eurma Army has an estimated strength of 26,500, organized into four brigades and sixteen battalions. It functions almost exclusively as an infantry force. Supporting forces are negligible; artillery is both himited and ineffective; a few reconditioned tanks supplemented by some more modern personnel carriers function as an armored-car squadron.

The Union Military Police (UMP), with an estimated strength of 12,500, are nominally under control of the Home Office, but are subject to Army tactical control in operational areas. They are organised and armed as fifteen lightly-equipped infantry battalions and should be regarded as static infantry rather than police.

The Government has from time to time organized various additional emergency or auxiliary forces, but at present these largely have been absorbed into the regular components. The principal function of these groups has been to provide small units for local security. They are isually raised within the area to which they are assigned and are organized on a company basis.

b. Disposition -- The major portion of Burma's military strength is located in the strategic central valley, deployed along both the read and rail and the Irrawaddy River lines of communication between languous and Mandalay. A few units occupy the larger towns along the Arakan chastel strip and the Tenasserim Feninsula. The Chinese frontier area has a hight guard of two UMP battalions and one Army battalion in the Kachin State, one Army battalion at Lashio, and one company in Kengtung.

e. Arms, Equipment, and Logistical Considerations to It is extremely difficult to obtain accurate information on stocks of weapons and equipment in Burma, a fact which has contributed to the poor relations existing between the British Services Mission and the Burma Army. The majority of equipment and ordnance is British, but there is some of Indian, Italian, French, Japanese, and United States manufacture. Although there are believed to be some reserves of weapons, reportedly sufficient to equip about five battelions, these are primarily infantry small arms. There is little artillery and there are few modern infantry antitank weapons, such as bazookas. A small arms and ammunition factory of unknown capacity has been established near Rargeon.

Despite reported weapon reserves and British and Common-wealth assistance, estimated to have been sufficient to equip 30 battalions, many items both of individual and organizational equipment are apparently in short supply, principally transport and signal communications. Negatiations are in progress for additional personnel carriers. Poor maintenance, shortage of spare parts and trained personnel, however, contribute to the shortage of general transport.

d. Reliability, loyalty, and morals — In the past, loyalty of the troops to the Government has been questionable. Defections along the regular forces have occurred from time to time because of either racial or political sympathies. The Burness do not completely trust the minority racial elements in the Armed Forces, although these units from minorities have been among the best in the Army, and, with the exception of the Karen units, have proven reliable. The organization of the "Sitwandan" or Socialist Farty levies was designed partly to generate a body of troops of assured loyalty to the party and Government. The later reorganization and integration of the politically reliable elements into the regular forces, as well as the establishment of a "loyal officers not" on the basis of personal loyalty to the Supreme Commander, Lieutenant General Ne Win, appear to have secured for the present the continued loyalty to the High Command of the majority of units.

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An important element in the long-term reliability of Burmese troops is the morale factor. It is characteristic of Burmese morale that "nothing successed like success." Consequently, a period of operational defeats by reinforced insurgent groups probably would be reflected in increased defections. Similarly, operations against a heavy Chinese Communist offensive probably would degenerate quickly into mere guerrilla activity.

training has been extremely limited and inadequate. Training now has been resumed on a small scale; the British Services Mission is carrying on some staff and administrative training. However, Burmese reluctance to use the British Mission has limited individual officer and noncommissioned officer training. Consequently, a serious shortage of adequately-trained lenders exists.

There is little direct information on unit training. Since new units are often committed to operations within three months of formation, it is believed that little organized unit training is conducted. The training of supporting arms and services is unsatisfactory. Artillery is reportedly incapable of controlling indirect fire. Engineers have had no training in field duties, and are often used as infantry.

f. Tactics and Strategy -- Operations have been confined to the use of small-unit infantry tactics. Recently, several battalions have been brigaded, principally for administrative purposes, but only rarely have been called upon to perform an operational mission. The scale of most operations and the functioning of the usual command organization are revealed by the fact that Eattalions are seldom fought as a whole. Operations nermally consist of attacks upon insurgent-held towns and villages and of patrolling missions during the static occupation of an area. Occasionally combined operations, in which infantry units are supported by river craft of the Eurma Havy, are undertaken. The Air Force also renders limited air support, including reconnaissance, strafing, and light bembardment missions against insurgents.

War Office plan to reopen the vital lines of communications to Mandalay and coincidentally to isolate the principal insurgent groups. While offensive tastical operations designed to reduce or destroy the insurgent forces have been a part of this strategy, it is becoming increasingly clear that the basic concept has been of a defensive nature. With the successful completion of this phase of operations, the Government has been unable to assume the strategic offensive and apparently lacks a plan or is unable to undertake further reduction of the insurgents.

C. Capabilities of the Military Forces and Recent Operations

Despite the foregoing serious limitations of the Armed Foreses by Western standards, a realistic estimate of Burmese capabilities can be made only in relation to the insurgent forces with which they are engaged. Since early 1950 the Armed Forces have made substantial progress against the insurgents in their tactical offensives which opened the lines of communication to central Burma. These operations accurately reflect the Government's improved capabilities against the armed dissidents. The Armed Forces are capable of concentrating a sufficient force to operate almost anywhere within Burma but only at the risk of so weakening other Government-occupied areas as to render them exposed to insurgent attack. Furthermore, it must be noted that although those operations have reduced the strength of the insurgents and their capabilities to establish and maintain control of important areas, they have accomplished little in the reduction of insurgent capabilities to conduct continued guerrilla operations. In addition, the heavy commitment of armed forces in the central area of Burma prevents the adequate garrisoning of the border regions against Chinese Communist infiltration or activity. Against aggression by any considerable number of Chinese Communists, the Eurma Armed Forces could render no more than token resistance.

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II. CAPABILITIES AND INTENTIONS OF THE BURMESE INSURGENTS

A. Present Capabilities and Objectives of Insurgent Forces.

The Karen National Defense Organization (KNDO) was formed as an instrument of the Karen Independence Movement and functioned as the Karen Armed Forces. The KNDO has an estimated current active strength of 1,500 in the Delta area and approximately 2,500 in eastern Burma. There remain, however, many thousands more who are armed, though not adequately supplied with ammunition, but who are not presently in active opposition to the Government. The KNDO still has the capability of conducting extensive guerrilla activities against Government-held areas.

Communist insurgents in Burma are split into two factions: the Burma Communist Party (BCP) or White Flags and the Communist Party of Burma (CPB) or Red Flags.

The White Flag BCP, under the leadership of Thakin Than Tun, is the larger and more influential group. Its numerical strength is estimated at 5,000. The BCP also commands considerable popular support through "front" organizations and from the above-ground pro-Communist Burma Forkers' and Peasants' Party. Its leadership is reported to be the best of any of the insurgent groups, and its ideological indoctrination the most rigid. As the logical recipient of Chinese Communist aid it is probably the most dangerous insurgent element in Burma and is capable of maintaining constant guerrilla pressure on the Government. The White Flags have suffered relatively the least reduction in strength from the Government tactical offensives in the Irrawaddy Valley.

The purpose behind continued White Flag activity appears to be two-fold: (1) To prepare for an eventual attempt to seize power through armed action; and/or (2) so to weaken the Government through constant military pressure as to enable the above-ground Communist apparatus to bring Burma into a pro-Communist alignment.

The "Red Flag" Communist Party of Burma is a small but active group, ordinarily regarded as the "Trotskyite" faction of Burmese Communism. Its activities reportedly have degenerated into sheer banditry. "Red Flag" strength probably is not more than 500 or 1,000. Its greatest threat is the capability of creating and prolonging the general unrest in Burma.

The present White Band People's Volunteer Organization (PVO), composed principally of veterans and guerrillas of various wartime military groups, is the insurgent faction of the PVO which went underground in opposition to Socialist Party domination of the AFPFL coalition Government. This group recently has suffered the most significant reduction in strength and capabilities because of large-scale surrenders to the Government. The remaining elements probably do not now number more than 3,000.

- B. Present and Future Possibilities for Combined Anti-Government
 Action by Insurgent Forces.
 - 1. Extent of Present Cooperation, If Any.

Although there have been many reports of agreements between the various insurgent groups for cooperation against the Government, evidence of widespread cooperation is slight, although it is undoubtedly true that the BCP is attempting to expand its influence and to enlist the cooperation of other groups.

Cooperation between the White Flag Communists and the PVO in the so-called "Democratic Front" is of long standing, and at one time was the controlling coalition throughout a large part of the insurgent-controlled area in the Irrawaddy Valley. Government pressure on the PVOs resulted in their defection and the quick collapse of the Front. It is reported that the remaining insurgent PVOs are still cooperating with the BCP, which is reestablishing "Democratic Front" areas.

The Red Flags are reported to have made local agreements with the ECP for a division of spoils and for administering areas controlled as a result of joint operations. As yet there is no evidence of extensive KNDC cooperation, except in operations in the Delta area, although the BCP has made the strongest effort to gain their support.

To date, the principal effect appears to have been the reduction of conflicts between insurgent groups rather than an effective degree of coordination between the insurgent groups on a wide scale. There has, however, been a tendency, particularly in the Delta area where small hands of the different insurgent bodies are in close juxtaposition, to comprese their differences and to effect a certain degree of local cooperation in operations.

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2. Extent of Willingness to Cooperate.

While cooperation probably can be achieved temporarily for operations against the Government through the promises of supplies and ammunition, it is unlikely that the various insurgent groups will be able to agree upon the division of administrative authority over controlled areas because of differing objectives and personal loyalties.

3. Capabilities for Combined Insurgent Operations.

Capabilities for extensive combined insurgent operations are believed to be negligible at present.

C. Chinese Communist Aid.

Degree and Nature of Aid or Control Which Insurgent Forces
 Would Seek or Accept.

The nature of the aid and the element of control which would be acceptable to the insurgent groups undoubtedly vary greatly between groups and no real evidence for an accurate judgment exists. It is probable that all insurgent groups would welcome supplies and ammunition but it is doubtful, for example, whether the KNDO would accept Burmese Communists as advisors, and extremely unlikely that they would, as a condition for securing aid, accept Chinese Communist or BCP control. On the other hand, the BCP is reported to have accepted Chinese Communist control over BCP policy direction, although even this was reputedly not acceptable to all the leaders of the BCP. The other insurgent groups probably would be willing to accept a limited degree of control in the form of agreements to cooperate with the BCP in return for tangible aid.

2. Present Nature and Level of Chinese Communist Assistance To Insurgent Groups.

Adequate evidence to determine accurately the present extent of Chinese Communist assistance to the BCP is not available. It has been reported, however, on at least two occasions, that negotiations between the BCP and the Chinese Communists were under way and that definite commitments for aid were received. To date, however, the principal element of such aid appears to be the organization of training facilities in Yuntan and the appointment of Chu Chia-Pi, outstanding Yunnanese Communist guerrilla leader, to assume direction of training and control over guerrilla activities in North Burma. A part of this effort is apparently devoted to adding Approved For Release 2001/08/31: CIA-RDP79R01012A001100010006-T

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Naw Seng, a renegade insurgent Kachin leader who was driven out of Burma as a convenient tool who is entirely under Chinese Communist domination. It is probable that at least some training of the BCP is being carried on in Yunnan. It is doubtful whether more than a few Chinese Communist advisors are at present in Burma for liaison or for training the BCP.

One additional significant factor, reported during the full of 1950, is the movement of the main BCP concentration northward into the Sagaing District, presumably to develop a base area close to the border in which supplies and assistance could more easily be received from the Chinese border. This movement has recently been reported to have been abandoned by the BCP, and their main concentration is again reported to be in the Pegu Yomas and the Yamethin-Pyminmane Districts.

3. Effect of Present Levels of Aid of Insurgent Capabilities.

Present aid to the insurgents will probably have the initial effect of perceptibly increasing dissident attacks on Government-held areas and lines of communication. Such activity is to be anticipated during the forthcoming elections. In the long run, continued aid at the present levels would probably enable insurgent elements to continue their activities and thwart all Government efforts to restore essential peace and order. The continuation of unstable conditions in Burma would reduce the prospects for survival of the present regime and might conceivably permit or encourage the establishment of a pro-Communist regime.

III. CAPABILITIES OF THE CHINESE COMMUNISTS TO INTERVENE DIRECTLY OR INDIRECTLY

A. Chinese Communist capabilities to provide material and technical assistance.

Although materiel assistance to the Burmese and other South East Asia insurgents was doubtless available following Chinese Communist consolidation of South China in late 1949, there are indications that the Chinese Communists themselves are now becoming hard pressed for certain items, notably ammunition, because of large expenditures in Korea. There are increasing signs that available stocks in China are being diverted to the Korean front, raising the question as to Communist ability to support with materiel rebel activities in other areas. Combined with the Korean expenditures as a limiting factor are the increase in Chinese Communist aread forces and the mobilization of militia to combat local unrest and protect lines of communication. In view of these factors, it seems unlikely that the Chinese Communists can supply large quantities of arms and quipment to the Burmese insurgents in the near future.

The Chinese Communists are, however, capable of delivering small quantities of arms and equipment to the Burnese Communists but with Limited hindrance due to rugged terrain, poor communications, or the interference by anti-Communist guerrillas and the 3500 to 4000 ex-Nationalist troops operating in the vicinity of the Yunnan-Burna border. There is no border control and the flow of material is not hampered except by the above mentioned factors.

Increased levels of aid, including small quantities of aims and equipment, would probably result in a significant increase in Burmes. Communist capabilities and in the long run would probably permit the establishment of "liberated areas" for the ultimate assault on and destruction of the present government.

B. Capabilities of the Chinese Communists to provide military forces, assuming present commitments elsewhere.

Chinese Communist Forces presently disposed within 150 miles of the Burma border number approximately 20,000. In addition there are some 214,000 in the general area Yunnar-Southern Kweichow-Southern Community well Approved For Release 2001/08/31: CIA-RDP79R01012A00116600 (Community Well)

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and Indochinese border areas. Farther north, but capable of being utilized, are some 45,000 in the Sikang-South Szechwan-Kweichow area. The trend of recent troop movements, however, seems to be not in the direction of Burma, but eastward toward the Kwangtung-Fukien area and north of the Indochinese border. Thus, though a total of some 259,000 CCF troops are available for use against Burma, their present dispositions and movements do not indicate their probable use against Burma in the near future.

In view of the problem of maintaining local security and providing manpower for the Korean operation, it appears doubtful that the Chinese Communists could commit more than 50,000 regular troops to an operation in Eurma.

IV. CHINESE COMMUNIST INTENTIONS TOWARD BURMA

A. Chinese Communist objectives; probable nature of any Chirese-Soviet agreements regarding Burma.

Chinese Communist objectives with regard to Burma are doubtless the same as for the rest of Southeast Asia, namely, eventual domination as a part of an Asian bloc of Communist states. To accomplish this objective the vehicle of indigenous dissident elements is likely to be used, both in Burma and in other Southeast Asian countries. This is substantiated by events to date in this area. It is reasonable to assume that the Chinese Communists will continue to attempt to gain their ends in Burma by indirect means.

No reliable information is available regarding the conclusion of any Chinese-Soviet agreements regarding Burma. It is to be expected that the Chinese Communists will be most anxious to secure recognition by the Soviets of paramount Chinese interest in Southeast Asia. It is also quite probable that any agreement would contain clauses as to Chinese Communist military responsibilities in the area in the event of general war and delineation of responsibilities for providing training and equipment to Burmese dissident elements both before and after the outbreak of worldwide hostilities. Any Sino-Soviet agreement regarding Southeast Asia probably would include provisions for the use of China as a base of operations. Approved For Release 2001/08/31: CIA-RDP79R01012A001100010006-1

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B. Effect, if any, of war in Korea on Chinese Communist intentions.

The extent of the effort now being made by the Chinese Communists in Korea has a direct bearing on Communist intentions in the rest of Asia. Although ultimate intentions remain the same (i.e. eventual domination) nevertheless a lessening of effort toward the rest of Asia has already become apparent. Formosa remains "unliberated", while the Viet Minh offensive in Indo-China has been contained, to mention two prominent Communist projects. That these two ventures have not as yet been concluded is partly attributable to Chinese preoccupation with their military involvement in Korea. Aside from the drain on trained manpower in Korea and the postponement of the rehabilitation of a peacetime economy in China, it has recently become evident that arms and equipment are in increasingly short supply. This of course will reduce the quantities of these items available for Communist efforts in other peripheral countries.

C. Effect of the presence of KMT troops in Burma on Chinese Communist intentions.

The most obvious effect of the presence of Chinese Nationalist (KMT) refugee troops in Burma is to provide the Chinese Communists with an excuse to conduct "mopping-up" operations against them. It has been reported that Chinese Communist Forces have engaged in raids across the border in pursuit of these troops and in efforts to prevent their penetration into Yunnan Province. The presence and activities of these Nationalist troops further provide the Communists with an excuse to maintain pressure on the Burmese Government.

Do Relative importance of Burma in Chinese Communist calculations.

Burma has been relatively low in priority in Chinese Communist
calculations. The key to Southsast Asia was considered to be Indochina
and attention was focusses on this area in the hope of "liberating" in
by an all-out effort against the French. It was probably thought that the
rest of the Southeast Asian counties would then fall of their own weight.
However, it has since become evident to the Communists that the taking
of Indochina will involve a much greater effort than at first was apparent,

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and in the meantime interest in Burma has increased. This is not to say that Chinese Communist objectives in Indochina have been abandoned, but with comparable effort in the two areas, it would seem that much greater results can be secured in Burma. Additional evidence that Communist interest in Burma has increased is provided by the establishment of both the Chinese Communist and the Soviet Embassies, the Chinese Communist commitments to provide aid to the BCP, BCP attempts to organize and dominate other insurgent groups, and the formation of an aboveground pro-Communist party.

It is therefore logical to expect that Burma's priority has increased somewhat as Communist efforts to achieve a quick and decisive decision in Indochina are to mporarily contained.

E. Probable present plans and tactics.

It is to be anticipated that Communist pressure on Burma will continue, with limited amounts of direct aid in the form of arms and amountation being supplied to dissident elements. The presence of KMT troops in the border area will doubtless continue to be a source of friction between the Chinese Communists and the Burmese Government. Likewise, training in China of small groups of Burmese, and Chinese from Burma, will continue as will ideological support and pressure on the Chinese element in Burma. It is doubtful, however, if any major, overtattempt will be made in the near future to reach a decision in Burma, although the capability exists in terms of available military force. This situation can change, however, in the event (a) of the outbreak of a general war between the Soviet and the Western Elec, (b) total success of Communist forces in Korea, or (c) a major revision of Communist strategy deemphasizing the Korean war in favor of an all-out drive for success in Southeast Asia.

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- V. CONCLUSIONS AS TO PROSPECTS FOR SURVIVAL OF THE PRESENT BURMES REGIES
 - A. Against Insurgent Forces Alone

It is estimated that the present Armed Forces of Burma, despite serious weaknesses, can continue to maintain the present regime in power but are not capable at the present time of eliminating insurgent elements.

- B. Against Insurgent Forces With Indirect Chinese Communist and
 It is probable that the Government forces can in the short run continue to maintain military control over the more vital areas, but that in the long run continued aid to the insurgents will so weaken the Government as to enhance the prospect of the establishment of a pro-Communist regime through political-military efforts.
 - C. Against Insurgent Forces With Direct Chinese Aid

Prospects for survival of the present regime against insurpents with direct aid from the Chinese Communists are slight. Militarily, Burta's Armed Forces are not capable of rendering more than token resistance to a direct aggression by Chinese "volunteers". Politically, it is doubtful whether the present regime would long be able to survive the establishment of "liberated" ereas.