

~~SECRET~~
SECURITY INFORMATION

RECORD COPY

RECORD COPY

NATIONAL INTELLIGENCE ESTIMATE

PROBABLE DEVELOPMENTS IN BURMA THROUGH 1953



NIE-74

Published 20 February 1953

(Supersedes NIE-36 and NIE-36/1)

DOCUMENT NO. 1
NO CHANGE IN CLASS. I
 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 10 APR 81 REVIEWER 25X1

The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff. All members of the Intelligence Advisory Committee concurred in this estimate on 12 February 1953.

CENTRAL INTELLIGENCE AGENCY

~~SECRET~~

DISSEMINATION NOTICE

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

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

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

WARNING

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

DISTRIBUTION:

White House
National Security Council
Department of State
Department of Defense
Mutual Security Agency
Psychological Strategy Board
Atomic Energy Commission
Federal Bureau of Investigation

~~SECRET~~

PROBABLE DEVELOPMENTS IN BURMA THROUGH 1953

THE PROBLEM

To estimate probable developments in Burma through 1953, and Communist intentions and capabilities with respect to Burma during that period.

CONCLUSIONS

1. Internal security and economic conditions have improved in Burma during the past year. The prospects through 1953 are for a slight improvement in internal security and economic and political stability.
2. Communist and other insurgent groups still dominate numerous areas of Burma, and have the capability of conducting guerrilla raids in many parts of the country.
3. The Burmese Government's progress in reducing the Communist insurgents is impeded by the necessity of stationing troops to contain the former Chinese Nationalist troops in northeastern Burma. The government also fears that the presence of these troops, which have made forays into Yunnan, may provide a pretext for Chinese Communist intervention in Burma. Finally, the presence of these troops complicates Burmese relations with the US and its relationship with the West in the UN because many Burmese Government leaders believe that these troops are indirectly supported by the US.
4. There is little prospect that the government can achieve either a military decision over the Karen insurgents or a political settlement with Karen leaders during the period of this estimate. Full-scale military cooperation between the Karen insurgents and the former Chinese Nationalist forces in Burma would seriously weaken the government's capability of dealing with insurgency throughout Burma. The likelihood of such a development cannot be estimated with confidence. However, we believe that the apparent divergence of ultimate purposes between these groups would make full-scale military cooperation against the Government of Burma unlikely during the period of this estimate.
5. Present Chinese Communist assistance to the Burmese Communists appears to be very slight. There is no evidence that the Chinese Communists have begun a program of equipping the Burmese Communist guerrillas. However, the Chinese Communists have the capability of providing them with extensive military aid.

~~SECRET~~

6. If an extensive program of Chinese Communist military aid were initiated in the near future, the Burmese Communist guerrillas could undertake offensive operations to expand their territory in 1953 but would probably not be able to seize control of a substantial amount of additional territory during the period of this estimate. A continuing program of extensive Chinese Communist aid might, in the longer run, pose a serious threat to the government's position.

7. We believe that the Chinese Communists are unlikely to exercise their capability to invade Burma during 1953.

8. The Burmese Communists will probably emphasize political tactics during 1953 while continuing guerrilla operations and maintaining a hard-core guerrilla force for expanded operations at some future date.

9. Assuming no substantial shift in the East-West power balance in Asia, the Burmese Government will probably continue through 1953 its efforts to maintain "normal" relations with Communist China and to maintain neutrality in the East-West struggle. However, Burma will probably continue to accept the assistance of the West in strengthening its armed forces and its economy.

DISCUSSION

THE CURRENT SITUATION IN BURMA

The General Situation

10. The Government of Burma now displays more cohesion and efficiency than at any time since the granting of Burma's independence in 1948. The current government, established by national elections completed in January 1952, is controlled by a coalition, the Anti-Fascist Peoples Freedom League. This coalition is dominated by the Burma Socialist Party. During the past year, the Burmese Socialists have displayed a sense of national purpose and an apparent willingness to subordinate personal ambitions to cooperative effort. Such unity of purpose is unusual in Burma, where political groups have in the past been motivated chiefly by loyalty to individual leaders.

11. Burmese armed forces have made considerable progress during 1952 in combatting insurgent forces in Burma. Although government control remains weak or nonexistent in many rural areas, government forces can now operate in almost any part of the country, and the government's ability to cope with sabotage activities has improved. Except for

the Karen-controlled areas (see map), the government forces have dispersed large insurgent concentrations and have increased the security of important lines of communication through central Burma.

12. The Burmese armed forces now have a strength of about 61,000, including 42,000 in the Army, 10,000 in the Union Military Police, 6,000 in the Burma Territorial Forces, 1,000 in the Air Force, and 1,800 in the Navy. By US standards, these forces are poorly equipped and trained. The increased effectiveness demonstrated during the past year is due primarily to two factors: (a) the increased strength and reorganization of the armed forces; and (b) a more responsible attitude on the part of Commander-in-Chief Ne Win and the energetic support of Defense Minister Ba Swe. In addition, the accumulated field experience of the Burmese field forces and the military assistance provided by the British Services Mission have contributed to the increased effectiveness of the armed forces. Although the Government of Burma has given notice that the present agreement with the British Services Mission will be terminated in January 1954, the present UK program of military supplies and technical assistance

will continue through the period of this estimate. During 1953, the Burma Government will either seek alternative sources of military aid outside the Soviet orbit, or conclude a new agreement with the UK.

13. The Burmese economic situation has improved during the past year, largely as a result of improved internal security in the country. Rice exports, the dominant factor in the Burmese economy and the chief source of foreign exchange, have increased gradually since 1946 and now approximate half of pre-war levels. As a result of improved security of lines of communication, it may soon be possible for the large Bawdwin lead and tin mines to resume production for the first time since the war. Burma has thus far escaped serious inflation, and the financial position of the government is good.

Threats to Burmese Internal Security

14. Despite its improved situation over the past year, the Government of Burma still faces a severe problem in maintaining internal security and extending areas under effective government control. Although government forces have succeeded in breaking up Communist units into smaller guerrilla bands, the total strength of the various groups of insurgents remains approximately unchanged. They retain the capability to conduct guerrilla raids in many parts of Burma outside their present areas of dominance.

15. The principal insurgent forces and their estimated armed strength are: the Karen National Defense Organization, 4,000; the Burma Communist Party, 8,000; a rival Communist group under the name of the Communist Party (Burma), 1,000; and remnants of the Peoples Volunteer Organization (an amorphous left-wing group stemming from the anti-Japanese movement), 3,000. There is also a force of about 1,600 Kachin tribesmen in the Burma-Yunnan frontier region under the leadership of Naw Seng. This force has received guerrilla training in Yunnan from the Chinese Communists, and may have a potential role as the core of a new insurgent effort. However, the nature of the

present relationship between Naw Seng and Burmese Communist insurgents is not known. In addition to these insurgent groups, there is a group of armed Chinese, up to 7,000 in number, most of them former Chinese Nationalist troops who have taken refuge from the Chinese Communists in the border area of northeastern Burma.

16. Some of these groups have made efforts to reach agreement for effective military cooperation. The Burma Communist Party has for some time tried to establish effective leadership over all Communist insurgents and in August 1952 was reported to have concluded a working agreement with the Peoples Volunteer Organization remnants and the rival Communist Party (Burma). Efforts to effect an alliance with the dissident Karens have apparently not been successful. On the other hand, limited collaboration between some elements of the Chinese Nationalist troops and Karen rebels appears to be a fact.

The Karen Problem

17. The Karens, the largest ethnic minority in Burma, seek autonomy for their community. The Karen community is predominantly non-Communist and the majority of Karens are not engaged in overt resistance. Nevertheless, the Burmese Government has not been able to formulate a program which would attract the loyalty of the dissident Karens. The government has promised the Karens that it would grant them a substantial degree of local autonomy and has offered a general amnesty to Karen insurgents. The Karens have regarded these offers as insufficient and insincere. Many Karens are convinced that the real object of the Burmese Socialists is to "Burmanize" them, by force if necessary.

18. The Karen National Defense Organization, with an active force of at least 4,000, presently controls large areas of the southern peninsula and operates sporadically through a considerable portion of the Irawaddy Delta. Besides the immediate threat to internal security, the continuance of the Karen armed rebellion slows economic progress in Burma, places a heavy drain on Burmese military

~~SECRET~~

resources, and exposes the government to the constant danger that the Karens will join other insurgent groups in a combined military effort.

The Problem of the Chinese Nationalist Troops

19. There are up to 7,000 armed Chinese, most of them former Chinese Nationalist troops, in northeastern Burma. Although probably only about half of these are in organized units, their presence constitutes a serious problem for the Burmese Government. The necessity for stationing troops in the Kengtung area in order to contain these elements impedes government progress in reducing the Communist insurgents. The government fears that the presence of these Chinese units, which have made forays into Yunnan, may provide a pretext for Chinese Communist intervention in Burma. Apprehension of the government has been heightened by the action of splinter groups of these Chinese which have cooperated locally with units of the Karen National Defense Organization. Finally, the presence of these troops complicates Burmese relations with the US and its relations with the West in the UN because many Burmese Government leaders believe that these troops are indirectly supported by the US.

20. The government urgently desires to remove the Chinese Nationalist forces from Burma. It does not, however, have the military strength to capture them, and it has made no progress in securing agreement for their internment or evacuation. Although Chinese authorities on Taiwan have denied exercising control over these forces, there is evidence that they continue in their attempts to do so. However, there is doubt as to the degree of control which the authorities on Taiwan could in fact exercise over these forces.

The Communist Problem

21. Communist seizure of control in Burma would bring great strategic advantages to both Communist China and the USSR. Such a coup would drive a wedge between India-Pakistan and Southeast Asia, facilitate Communist penetration into other countries of

South and Southeast Asia, and support the claim that Communism in Asia is an irresistible force. Furthermore, it would put under Communist control the rice production of what is potentially the richest rice surplus area in Asia. Access to this rice production would improve the Chinese Communist regime's internal economic position. Moreover, this supply of rice could be used as a political weapon against rice-deficient India, Indonesia, Japan, Ceylon, and Malaya.

22. Within Burma, the Communists oppose the government through political activity and armed insurrection. The Communist-controlled Burma Workers and Peasants Party (BWPP) serves as the main instrument of "legal" Communist activity and controls 13 of the 250 seats in the Chamber of Deputies. In addition to denouncing the government for its refusal to form a "united front" government and its failure to "resist the penetration of American imperialism," the BWPP seizes every opportunity to exploit general criticism of the government on such issues as its failure to eject the Chinese Nationalist troops from Burma.

23. The Communist guerrillas, despite their dispersion into small groups and their present shortage of arms and ammunition, still operate in sizable areas in Burma and are capable of conducting raids against villages and lines of communication in many parts of the country. The Communist potential would be significantly increased if agreement were reached for effective military cooperation among the various Communist and non-Communist insurgent groups. The Burma Communist Party has been urging the establishment of a united front of all insurgent groups since 1950, but these efforts have thus far resulted only in temporary agreements for local military cooperation. If the Burmese Communist Party were able to obtain an effective agreement with the dissident Karens, the resulting union of forces would present the government with serious military opposition.

24. Communist guerrilla capabilities could also be significantly increased if the Chinese Communists provided extensive military aid.

~~SECRET~~

5

Present Chinese Communist assistance to the Burmese Communists appears to be very slight, consisting primarily of advice and financial aid from the Chinese Communist embassy in Rangoon to the Burma Workers and Peasants Party, and probably special training in Yunnan for a few Burmese Communist guerrillas. There is no reliable evidence that the Chinese Communists have moved significant quantities of military supplies across the border to Burmese guerrillas. Although the ability of the Burmese guerrillas to absorb such assistance would be somewhat limited by transportation difficulties and a lack of technical training and maintenance facilities, they could utilize considerable quantities of small arms and ammunition and thus increase their firepower and combat effectiveness.

25. Besides the threat of the indigenous Communist guerrillas, the government faces the possibility of direct Chinese Communist intervention, either by the infiltration of combat units disguised as "volunteers" or by full-scale invasion. "Volunteers" could be introduced in support of military action by the Burma Communist Party or in connection with a limited invasion by Communist forces under Naw Seng. This latter operation could be conducted under the guise of an indigenous Kachin insurgent movement to establish an independent Communist state in Northern Burma. A full-scale invasion could be adequately supported by the lines of communication from Communist China to Burma, which are believed capable of supporting an invading Chinese force of 90,000. Such a force could be assembled from the Chinese Communist troops now deployed in southwestern China, and there are believed to be adequate supplies on hand for an invasion of Burma. Burmese Government forces could not offer effective resistance to such an invasion.

26. During the past year, Communist activities directed toward winning Burma have been characterized by caution and moderation and by increased emphasis on political tactics. Burmese Communist guerrillas have been less willing to engage government forces, but have concentrated on preserving a guerrilla core

for future operations. At the same time, the Burmese Communists have offered to stop guerrilla operations in return for Communist participation in a "coalition" government, and have urged a joint expedition of Communist and government armed forces to eliminate the Chinese Nationalist troops. Communist-front groups also have vigorously advocated a "coalition" government. Communist China and the USSR have in general continued to follow a conciliatory propaganda and diplomatic policy toward Burma. Peiping has continued to refrain from pressing its historical claim to border territories in Northern Burma. Communist China has taken the initiative in securing the exchange of semiofficial missions with Burma, and the USSR has received several Burmese delegations in Moscow.

27. The Communists appear to have shifted the emphasis from violent to political activities in Burma during the past year, largely because the Burmese Communists have made a poor showing in military operations and have failed to win local popular support or to unify the insurgent movement. At the same time, the reorganized Burma Workers and Peasants Party gives promise of achieving some success in exploiting popular opposition to the government's policies.

Foreign Relations of the Government of Burma

28. Burma has attempted to maintain a neutral position in the East-West struggle. In particular, Burmese foreign policy has been designed to avoid any involvement in external affairs which would antagonize Communist China or divert national energies from pressing domestic problems. However, Burma has recognized the need for outside aid. Within the past year, the government has requested assistance from the Soviet Bloc as a means of restoring the appearance of a neutral policy, while accepting US economic aid and British military assistance. While continuing to declare their willingness to accept aid from any country, Burmese leaders have privately indicated their belief that such assistance can be obtained on acceptable terms only from the West.

~~SECRET~~

~~SECRET~~

6

PROBABLE DEVELOPMENTS IN BURMA

29. The Burmese Socialist Party will probably continue to consolidate its control over the Anti-Fascist Peoples Freedom League coalition government during the period of this estimate. There is a continuing possibility of a struggle for power within the Socialist Party leadership and of the disaffection of some groups now in the coalition. However, the effect of the trend toward one-party control in Burma will probably be to facilitate a gradual improvement in government administration and in the stability of the present government.

30. The Burmese Government will almost certainly continue its determined efforts to suppress insurrection in Burma. Government armed forces will probably continue gradually to increase their strength, which is already sufficient for undertaking operations almost anywhere in Burma, but they will probably not achieve sufficient strength during the period of this estimate to enable them to extend and maintain control over much additional area.

31. There is little prospect that the government can achieve either a military decision over the Karen insurgents or a political settlement with Karen leaders during the period of this estimate. On the contrary, Karen insurgents may reach additional local understandings with elements of the former Chinese Nationalist forces in Burma involving exchange of food for arms and the coordination of local defense arrangements against Burmese Government attacks. Local arrangements of this nature would not in themselves seriously endanger Burmese internal security. However, they would probably divert Burmese strength from anti-Communist operations, bolster Karen morale, and further decrease the possibility of a military or political resolution of the Karen rebellion. Full-scale military cooperation between the Karen insurgents and the former Chinese Nationalist forces in Burma would seriously weaken the government's capability of dealing with insurgency throughout Burma. The likelihood of such a development cannot be estimated with confidence owing to the deficiency of our knowledge con-

cerning the objectives of the former Chinese Nationalist forces in Burma. However, we believe that the apparent divergence of ultimate purposes between these groups would make full-scale military cooperation against the Government of Burma unlikely during the period of this estimate.

32. Government forces almost certainly will not be able to drive the Chinese Nationalist forces out of Burma during the period of the estimate. The government might appeal to the UN for assistance; it is much more likely, however, to undertake military operations on its own against the Nationalist units, while continuing to press for peaceful removal of these troops. It is unlikely that the government will seek agreement with Communist China for joint military operations to destroy the Nationalist forces in Burma.

33. Although there is no evidence that the Chinese Communists have begun a program of equipping the Burmese Communist insurgent forces, the Chinese Communists have the capability of providing extensive military aid to the Burmese Communist insurgent forces at any time. About six months would probably be required to reorganize and re-equip the guerrillas in their present dispersed state. However, if an extensive program of Chinese Communist military aid were initiated in the near future, the Burmese Communist guerrillas could undertake operations to expand their territory in 1953 but would probably not be able to seize control of a substantial amount of additional territory during the period of this estimate. A continuing program of extensive Chinese Communist aid might, in the longer run, pose a serious threat to the government's position.

34. A Communist-led united front of all insurgent forces does not appear likely during 1953. Although the Burmese Communists may succeed in developing effective coordination with the smaller leftist insurgent groups, including even a segment of the Karen National Defense Organization, the internal security problem would not be seriously increased by a combination of these forces. Although effective military cooperation between the Communists and all present dissident Karen

~~SECRET~~

~~SECRET~~

elements would seriously tax the government's ability to retain control in substantial parts of the territory it now holds, it is unlikely that the Communists can reach agreement for effective military cooperation with more than a segment of the Karen forces. The interests of the majority of Karens are incompatible with Communist objectives.

35. The Communists therefore appear to have no prospect of taking over Burma during the period of this estimate except through invasion by organized Chinese Communist forces. There are no current indications of a Chinese Communist intent to invade Burma. The Chinese Communists probably estimate that Communist objectives in Burma can better be served by a policy that does not involve the risk of US-UN military counteraction against Communist China and of antagonizing neutralist opinion, particularly in Asia, which such an invasion would entail. We believe the Chinese Communists are unlikely to undertake such an invasion during 1953.

36. The Communists will probably continue to follow a dual policy in Burma, placing greater emphasis on political tactics than on violence. The underground groups, particularly the Burma Communist Party, will continue harassing guerrilla operations, maintain a hard-core guerrilla force for expanded op-

erations at some future date, and seek to develop an effective united insurgent front. At the same time, above-ground Communist groups will attempt during 1953 to minimize Burmese cooperation with the West and to prevent the development of economic and political stability in Burma.

37. This Communist line of action is not likely to reduce the cohesiveness of the present government coalition. We believe that the Communist threat will continue to be sufficiently recognized by Burmese leaders and that there will be no significant change in the government's anti-insurgent policy or in its resistance to Communist demands for participation in the government. Therefore, the prospects through 1953 are for a slight improvement in internal security and economic and political stability.

38. Assuming no substantial shift in the East-West power balance in Asia, the Burmese Government will probably continue through 1953 its efforts to maintain "normal" relations with Communist China and to maintain neutrality in the East-West struggle. The government will probably continue to promote a "third" force Asian Socialist movement. However, Burma will probably continue to accept the assistance of the West in strengthening its armed forces and its economy.

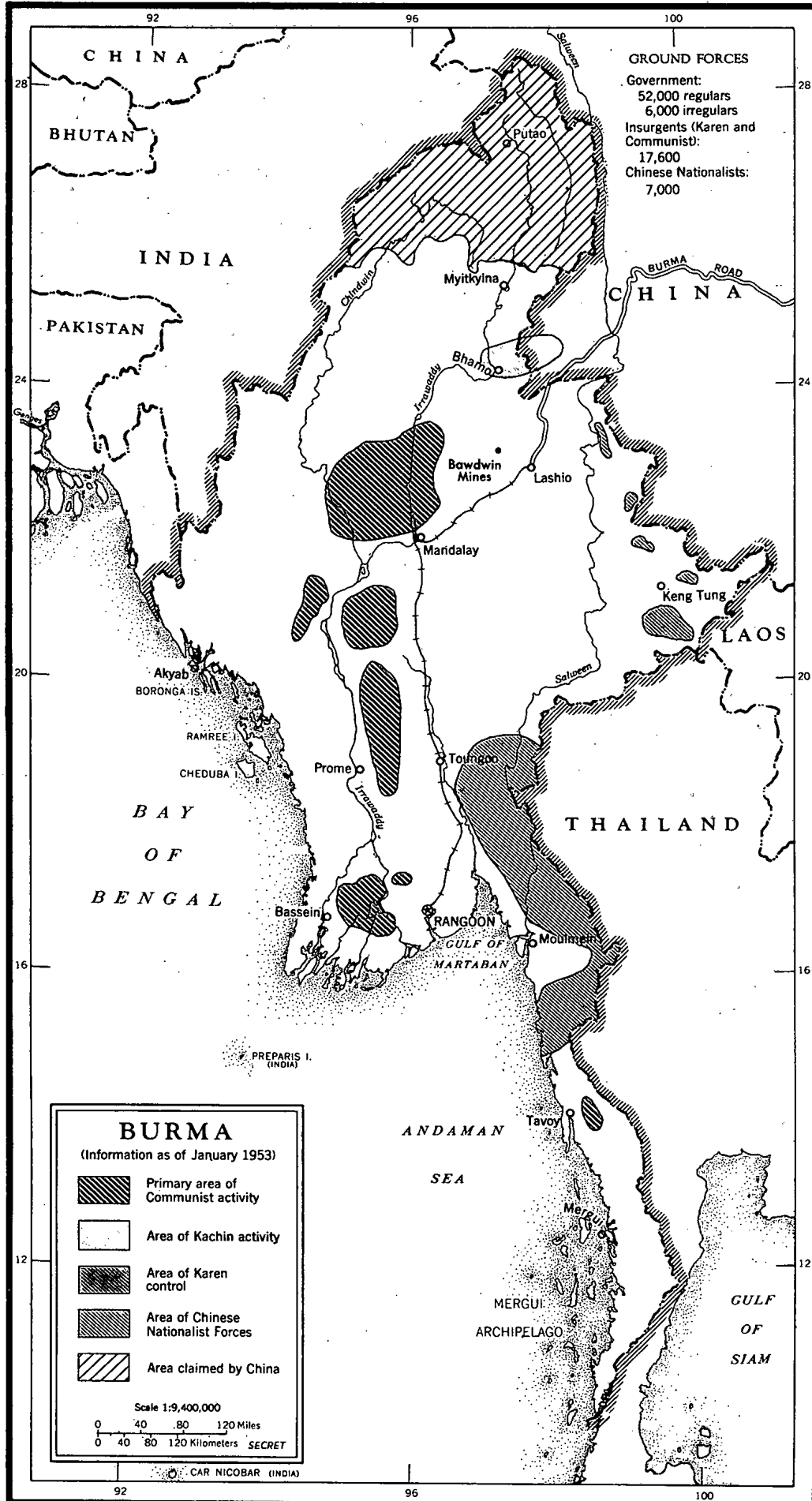
~~SECRET~~

~~SECRET~~

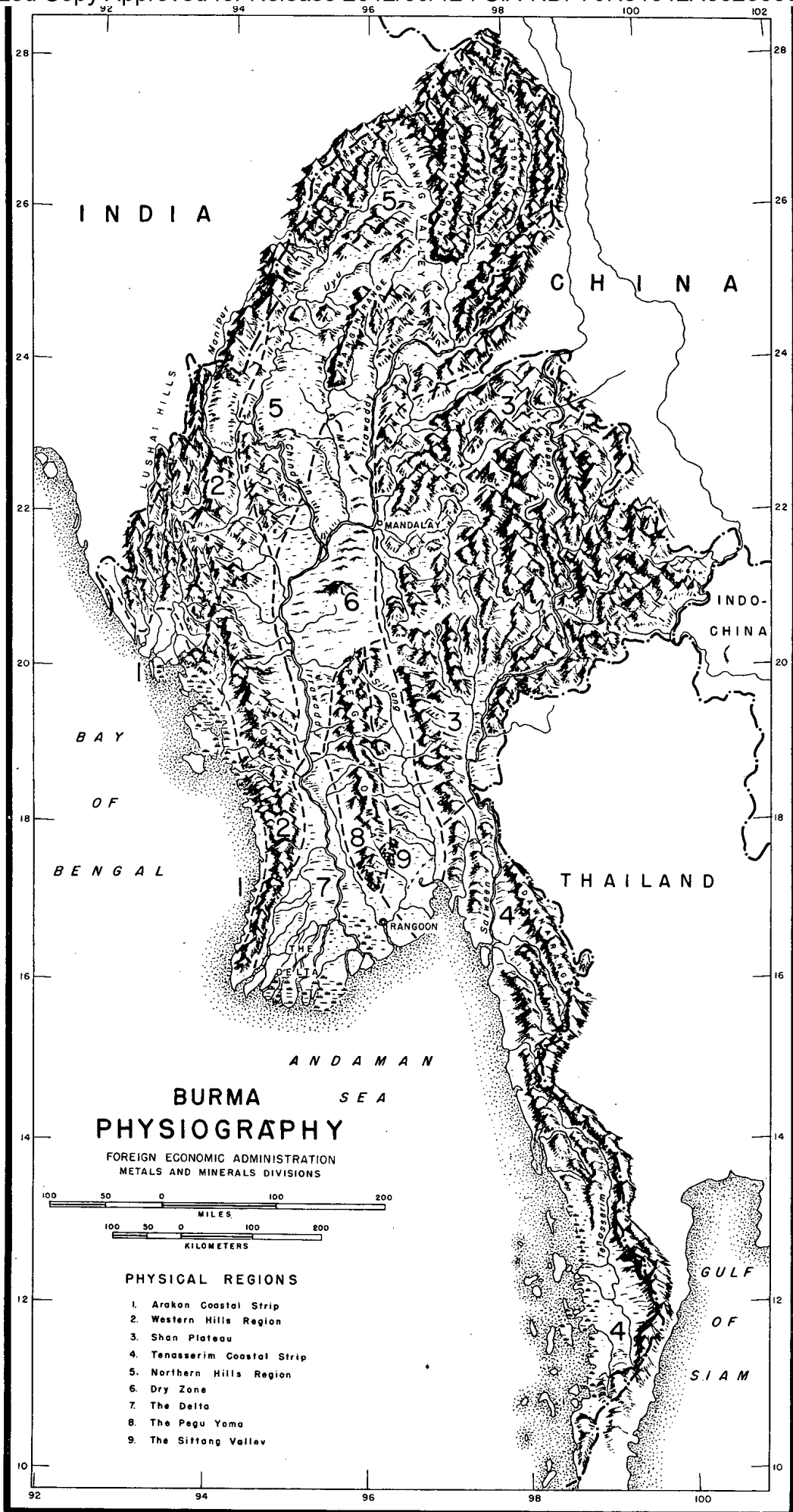
NOTE: The map showing areas of insurgent activity represents only a generalized picture. The size of the areas in color have no direct relation to the numerical strength of the insurgent groups. In addition, it should be noted that insurgent activity is not confined exclusively to the areas in color and that government control does exist to a varying degree throughout much of the colored area.

~~S~~

SECURITY INFORMATION



12572 CIA, 2-53



~~SECRET~~