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SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

23 September 1952

STAFF MEMORANDUM NO. 273

SUBJECT: Proposed Estimate on the Situation in Burma

1. In the first Burmese national election, completed in early 1952, the socialist-dominated Anti-Fascist People's Freedom League won control of the Government by a substantial majority. Since the election political stability has increased in Burma, and the influence of the Communist-sponsored Burmese Workers' and Peasants' Party has diminished. Of particular importance in achieving increased stability have been the appointment of leading socialist Ba Swe to replace the ineffectual U Win as Defense Minister, and the cooperation shown by Commander-in-Chief Ne Win, whose opportunism formerly had been considered a major threat to the achievement of permanent political stability in Burma.

2. A decided shift in Burma's foreign policy has also taken place, and in deed, if not in word, Burma is more and more aligning itself with the West. Despite the accession of doctrinaire socialists to high government positions, the Burmese, though still proclaiming strict neutrality, have accepted US aid under MSA and TCA, are now seeking military aid from the US, and in general have been less inclined to bend over backwards to avoid antagonizing Communist China.

3. Militarily the position of all insurgent groups has declined during 1952. Anticipated aid to Communist insurgents from Communist China has failed to materialize, and the Communists no longer are capable of establishing a firm hold over substantial areas of the country. The Karens too have been weakened, as indicated by their increased efforts for a settlement with the government. In face of such reverses, the Communists have: (a) increased attempts to form a "united front" of all insurgent groups, but with only minor and local success; (b) aimed propaganda against the presence of Chinese Nationalist troops in upper Burma, hoping that an aroused public would force the government to take

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action against those troops, and so relieve pressure on the Communists; and (c) adopted a "new line" of compromise, hoping to gain by infiltration what they have failed to gain by insurrection. The government, however, has continued its vigorous efforts against the Burmese Communists.

4. In the light of the above developments, which are considerably more favorable than those projected in NIE-36 and NIE-36/1, the Far East staff had decided to recommend a new estimate of the situation in Burma. At the same time the AD/NE received a request from the Director, OIR, requesting a revision of NIE-36 on an urgent basis. OIR desires that the estimate (a) include the element of Chinese Communist intentions, (b) look ahead at least a year, and (c) take into account the political and military trends in Burma since the publication of NIE-36 and NIE-36/1.

5. The staff believes that a new Burma estimate will be most useful if its scope approximates that of NIE-36 rather than NIE-36/1. Moreover, it considers that the title of NIE-36: "Prospects for Survival of a Non-Communist Regime in Burma", is no longer appropriate. We therefore suggest that the attached terms of reference be considered, for an estimate having "routine" priority.

[Redacted Signature]

ABBOT E. SMITH
Chief, Estimates Staff

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Note: Paras 1-3 above prepared
by [Redacted]

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SECURITY INFORMATION

23 September 1952

SUBJECT: DRAFT TERMS OF REFERENCE: NIE-36/2: PROBABLE DEVELOPMENTS IN BURMA THROUGH 1953 (For consideration by the Board)

THE PROBLEM

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

QUESTIONS BEARING ON THE PROBLEM

I. STABILITY OF THE GOVERNMENT OF BURMA

- A. What is the current situation in Burma and what trends may be expected through 1953 with respect to the following:
1. The composition, efficiency, cohesiveness, and morale of the government and the popular support enjoyed by the government;
 2. The economic situation in Burma as it affects national morale, domestic and foreign policies, and military or police capabilities;

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3. The size, equipment, training, reliability, and effectiveness of military and police forces;
4. Government policies toward the Karens, the Burmese Communists, the KMT troops in Burma, and other dissident groups;
5. Government policies toward the West and the Communist bloc.

II. CAPABILITIES AND INTENTIONS OF BURMESE INSURGENTS

- A. What is the current situation in Burma and what trends may be expected through 1953 with respect to the following:
 1. Capabilities of various insurgent forces;
 2. Coordinated anti-government action by insurgent forces - extent and effectiveness;
 3. Capabilities of insurgents to receive and utilize material and technical assistance from the Chinese Communists.

- B. What is the present nature and level of Chinese Communist assistance to the insurgents?

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III. CHINESE COMMUNIST CAPABILITIES

- A. What trends may be expected in the capabilities of the Chinese Communists to provide material and technical assistance to the Burmese insurgents?
- B. What trends may be expected through 1953 in Chinese Communist capabilities to conduct military operations in Burma assuming the following conditions:
 - 1. A continuation of commitments elsewhere at present levels;
 - 2. Intensified operations in Korea;
 - 3. New commitments in Indochina.

IV. INDICATIONS OF COMMUNIST INTENTIONS TOWARD BURMA

- A. What courses of action have the Communists followed with respect to Burma over the past year?
- B. What indications of the probable strategy and tactics of the Burmese Communists in the immediate future are available?
- C. What indications of the probable strategy and tactics of the USSR and Communist China in Burma in the immediate future are available?

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