

MEMORANDUM FOR: GENERAL COLL

*APC*

Attached is a copy of the paper prepared by Chester Bowles which [ ] and I mentioned to you. I have sent copies of this to both DD/I and DD/P and [ ] has sent an acknowledgment of receipt of this paper to Mr. Bowles.

[ ]

*(1)*  
[ ]

5 April 1955

(DATE)

6-8493

CHESTER BOWLES  
ESSEX, CONNECTICUT  
March 28, 1955

Dear Allen:

I am enclosing a memorandum based on a recent three month trip which may interest you.

With my best regards.

Sincerely,  
  
Chester Bowles

Mr. Allen Dulles  
Central Intelligence Agency  
Washington, D. C.

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Mr. Chester Bowles

Essex, Connecticut

Dear Chester:

Many thanks for your letter of March 25 enclosing the memorandum resulting from your recent trip through Africa and South Asia.

[redacted] my Executive Assistant, brought your most interesting paper to my attention upon my return to the city and I have taken the liberty of making additional copies of it available to some of our other people here.

Faithfully,

Allen W. Dulles  
Director

O/DCI [redacted] (6 Apr 1955)

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P.S. I hope to see you soon to discuss your most interesting memo. AWC

Approved For Release 2004/04/01 : CIA-RDP80R01731R000400470020-9

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Remarks:

*[Redacted]* received 6  
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 I have put some in a box  
 on them

The Changing Balance of Power in Asia

A Memorandum By Chester Bowles

Confidential

On March 18th I returned from a three month trip through Africa and South Asia, which included a few final days in London. I was prepared for annoyances and frustrations abroad. But I have returned seriously disturbed by the low state into which our position has fallen, by the steadily growing power and prestige of China, and by the gap which exists between the views commonly expressed in America and those held by other non-Communist peoples not only in Africa and Asia, but also in Europe.

I do not want to overstate my pessimism, much less to sound irresponsibly alarmist. I write the following only after sober reflection on the manifold, mixed impressions I have had in recent weeks, and after considering carefully the qualifications which must always be placed against such general judgments.

Reluctantly, I have concluded that our position in Asia will continue to deteriorate unless we modify sharply many of the concepts that we now seem to hold most firmly. Otherwise the day may not be far distant when we shall find the balance of power in Asia and eventually the world shifting inexorably against us. I do not think it is too much to say that the danger to American objectives and interests is as great today in Asia as it was in Europe in 1947. Moreover, many of the fundamental advantages which we held then in Europe are not now available to us in Asia.

The following is an effort to put into abbreviated form the essence of the present crisis as I see it, and to suggest certain

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corrective measures which appear to be essential.

I will deal with the long range rather than the short term implications of our present approach. The intricacies of the Quemoy, Matsu, Formosa situation simply reflect the broader problem which must soon be faced.

1. Lenin's observation that "for world Communism the road to Paris lies through Peking and Calcutta" has a dreadful validity in our present situation. The halting of Communism and the development of wide areas of growing strength and stability in Asia is crucial to our position, not only in that part of the world, but also in the Middle East and Europe and to the entire world power balance.

2. Communist China's dynamic rate of development and her bitter antagonism to the United States make her at least as great a potential threat to peace and stability as the Soviet Union itself. Even if China were not Communist, her huge population and her limited land area would have important geopolitical implications. China already raises twice as much rice per acre as India and her climate limits her ability to raise two crops. Her dwindling margin of potential food expansion makes it likely that within the next ten years China may be sorely tempted to expand into the rich and relatively empty lands of Burma, Thailand, Indo-China, Malaya and Sumatra.

3. American atomic power alone supported by a Seato alliance which includes only such Asian nations as South Korea, Pakistan, Formosa, the Philippines and Thailand - one fourth of free Asia - is unlikely by itself to contain Chinese ambitions during the next 50 years.

The Chinese appear to have no concept of the destructiveness of atomic power. Mao's success has conditioned him to place his

principal reliance on propaganda, ideology, control of the masses and mass armies. Mao told Nehru, "I am not afraid of American air power - even though it kills ten million Chinese." Mass atomic slaughter of Chinese civilians would only solidify Asia against us.

4. Under its Communist government China is achieving a strong sense of political unity, ideological discipline and patriotic morale. Combined with her growing economic and military strength, these factors are steadily increasing her prestige and influence throughout Asia, even among those who are ideologically opposed to Communism.

5. Our failure to understand the nature of China's appeal to non-Communist Asians has led us to minimize this influence. From bitter experience we Americans have developed a justified but stereotyped picture of the Chinese Communist government which appears to us conclusive and not open to shading or amendment. We see doctrines and practices that we profoundly dislike, steeped in cruelty and dishonesty, allied to the Soviet Union, and bitterly opposed to our interests.

Most non-Communist Asians are also aware of these facets of the new China and in varying degrees are also repulsed by them. But their total image is obscured by other aspects of modern China which have a profoundly deep appeal in Asia. China is seen as a nation which has participated in the common struggle against western domination, and which shares with other Asian nations such basic problems as poverty, illiteracy and lack of industrial development. There is widespread admiration for the vigor with which China is attacking these problems. Further to complicate the problem anti-white racial consciousness, particularly in

"Asia for the Asians". Thus a majority of non-Communist Asians have now arrived at a picture of China which, although still blurred, is dangerously different from our own.

6. Yet for the long haul the only effective counter balance to China in Asia is India and Japan with American military power in the background. Unless these two key nations remain independent and friendly toward us, Asia may eventually fall into Communist hands and in any event the present world balance of power will be shattered.

My own observations derive largely from my detailed acquaintance with Indian problems, but it is my belief that developments in Japan support many of the same conclusions.

a. Japan and India between them have 455 million people, 20% of the world's population. From the point of view of manpower this is the only Asian counterbalance to China's 580 million.

b. With 75% of Asia's industrial output, millions of skilled and potentially skilled workers, and, in the case of India, ample natural resources, these two nations are the only effective Asian industrial counter-balance to China.

c. With her long religious and cultural heritage, dynamically brought to life in recent years by Gandhi, India is by far the most significant Asian spiritual and ideological counter-balance to China.

7. India is now making rapid economic progress - probably equal to that of China. Her leaders are becoming confident of their ability to meet the economic demands of their people through democratic means. Internal Communism is less of a threat than



an ideology India is des... national ties with China which  
are most disturbing. At ... India and ...  
drifting steadily apart. Three weeks of intimate and exhaustive  
discussions with Indian political, business, and religious leaders  
have convinced me that in a psychological and philosophical sense  
the gap between our two countries is already dangerously great.

Reports from Japan indicate the same unhappy development  
there. The Hatoyama government seems to have been elected on an  
almost impossible platform which promised the best from both  
worlds. If this government eventually fails, the drift of  
Japanese foreign policy is not likely to be more favorable to us.

8. The Soviet Union is handling itself in Asia with increased  
skill and is slowly but steadily improving its position. Compe-  
tent Soviet technicians are beginning to move into India, in  
some cases, I was told, following the refusal of the United King-  
dom and the United States to meet Indian requests. After un-  
successfully seeking capital in the United States for a steel  
mill, India turned to Russia and plans are now well advanced.  
Within three or four months some 300 Indians will be on their way  
to Moscow for training in management and technical planning.

Since we have failed to offer the kind of massive assistance  
which India requires to meet the bold industrial goals of the  
second Five Year Plan, India seems likely to turn increasingly  
to Moscow. This is so, not because India prefers Communism, but  
because the political pressures for economic progress are almost  
overpowering. Unless we develop a bold and comprehensive economic  
aid program the economic link between India and the Soviet Union  
is likely to grow. Japan also seems to be moving towards closer  
economic relations with Russia and China.

9. This ominous deterioration in our position in the two major nations of non-Communist Asia which alone can provide an adequate counter-balance to China, is due to a complex combination of circumstances. But it is fair to say that our present dilemma stems as much from the things we say as from the things we do.

Among the factors which are working against us in free Asia are the following:

a. Many non-Communist Asians have come to consider us a militaristic people because most of the things they hear about us are of a military nature. A recent survey of the newspapers in the Indian State of Hyderabad revealed that 82% of all mentions of America in a single month involved military subjects, consisting largely of reported speeches and statements by American military, governmental and congressional leaders.

b. The Indians in particular believe that their judgment on Asian affairs has been proved by experience to be at least as good as our own.

1. They warned us that China would enter the war if we crossed the 38th parallel.

2. They insisted that Chiang Kai-shek could not invade China without involving us in a major conflict.

3. They prophesied that French military power could not hold Indo-China even with unlimited American equipment.

4. Their proposal for an Indo-China cease fire was rejected by us on the grounds that it favored the Communists. Two months later came the fall of Dien

**Bien Phu and the total collapse of French resistance  
in North Vietnam**

c. As a result Indians are profoundly irritated by what they believe to be our failure to consult them or even to treat their views with respect.

They are also annoyed by our assurance that the major objective of our Asian policy is to "save Asians from Communism" They consider this approach to be patronizing and tactless, and to ignore the success of their own vigorous efforts to curb internal Communism by creating a positive, dynamic free society.

d. Most Asians feel that America's greatest strength lies in the principles on which our nation is based, principles which the Asians borrowed freely in establishing their own constitutions. Today most Asians are deeply convinced that we are violating those principles in the conduct of our foreign affairs. They are particularly critical of what they believe to be our continued compromise on the issue of colonialism.

Most Asians believe that Chiang Kai-shek and Syngman Rhee are as ready to resort to violence and the suppression of civil liberties as Mao Tse Tung himself. Moreover Chiang, Rhee and Bao Dai are also associated in their minds with feudal practices of an economic, social and political variety that are part of the discredited past. Their Hindu and Buddhist religious beliefs lead them to believe that evil cannot be conquered by evil, and that we have lost sight of this fact.

e. These formidable obstacles to understanding between America and the bulk of free Asia are compounded by the fact that most Asians, particularly the South Asians, are incredibly ignorant of the events which lead up to the cold war impasse in which we now find ourselves. While we were being conditioned by the harsh realities of the Stalin-Hitler pact, by the repudiation of the Yalta agreements, by the rejection of the Baruch Atomic Plan, by the coup d'etat in Czechoslovakia, and by the Soviet armament in the face of our disarmament, most of the Asian people were in the turmoil of their own independence struggle and largely oblivious to world events.

In other words a crucial chapter of recent history remains largely unread in Asia, - a chapter which we quite properly consider essential to an objective understanding of the present world situation and of our reaction to it.

f. The South Asians, having largely won their independence through non-violent methods and successfully suppressed their own Communist rebellions without outside assistance, put their principal faith in the strength of people and ideas, and charge us with placing too much faith in weapons. They contrast the success of the militarily weak government of free Burma in suppressing a formidable Communist rebellion with the failure of massive French military power in colonial Indo-China backed by \$3 billion of American military support.

Asians feel that their future will be determined largely by their ability to create inner political and social stability through economic reform and development. Most of them admit that Communism is a military danger, but they believe that a more immediate danger lies in Communist subversion feeding on lack of economic progress.

g. Asians resent our efforts to force them to "choose sides" in the cold war struggle, and point out that for 150 years we held ourselves aloof from the struggles of Europe and entered the Second World War only when we were attacked. They argue that the most constructive contribution that they can make to Asian stability and security is to make their own economic and political system function effectively.

h. Many Asians feel that our interest in their welfare is almost exclusively based on our fear that they will go Communist. "If we had no Communists" they say "you would ignore us." This causes them further to lose faith in our moral leadership.

10. To sum up the differences which are steadily cutting us off from the main stream of non-Communist opinion in Asia: We tend to look at the cold war struggle between Communism and freedom as a current crisis which will be settled one way or other in the next few years, and in which military strength is the central crucial factor.

Because of our experience with Russia, we look on China as primarily a question of Communist ideology. They look at China in terms of their own complex Asian colonial experience

-aspects of which seem to us remote and incidental.

They assume that war is not imminent, that the struggle is of much longer range, and that the final decision will be based primarily on economic, political and social factors rather than on military power. The fact that South Asian nations won their freedom from militarily powerful Britain by non-violent methods helps convince them that ideas and peoples are a stronger long range power factor than machine guns and bombs.

Our energies and fears are concentrated on Communism as the primary menace. Because of their own emotional experience (often involving long jail sentences) they are still more deeply concerned with colonialism, while rather naively they consider it to be as much of a danger as Communism itself. Understandably, but illogically, their fears are almost exclusively of white western colonialism, which further complicates our efforts to create understanding.

11. In spite of the tense attitudes, sharp criticism, and frank disillusionment that most South Asians express towards our country, I am convinced that a deep underlying bond of respect and potential friendship continues to exist, and that with skill and sensitivity there is still time in which to build on that foundation.

This was demonstrated on my recent trip by the profound concern with which Indian and Burmese officials discussed American-Asian relations with me, by the admiration which they continue to express for our democratic heritage, and by the friendly response I received to a blunt speech before the Council of World Affairs in New Delhi on "What is Right with American Foreign Policy".

11.  
 Policy." Although most of the students probably disagreed with my thesis, they applauded my willingness to speak out frankly.

12. Although many Europeans are also in disagreement with our policies in Asia, I found in Europe a similar, under-the-surface desire to believe in us. This reservoir of good will, however, is not bottomless. We will run grave risks unless we can soon bring our views into closer harmony, not only with those of most Asians, but with those of our western allies. If free Asia slips away, the support of the majority of Europeans will be difficult if not impossible to hold. The rush for the Communist band wagon will be heavy.

13. In devising policies adequate to this situation we should start with the fact that our ability to control future events in Asia is strictly limited. India, Japan and all of Asia may eventually end up in the Communist camp, even though we do all the right things. They may remain free, even though we do all the wrong things. Our role is at best marginal.

That margin, however, may be decisive and we cannot afford to throw it away. What we are now losing is our ability to affect the final result, plus an opportunity to create a warm and lasting partnership with India, Japan and the South Asian nations, which might conceivably determine the balance of power for several generations.

### The Essential Ingredients of An Asian Policy

1. Our Asian policy should be based on the assumption that the Atlantic Pact remains the foundation stone of our national security. This means that we must give careful consideration to

in dealing with Communist China and more conservative than our own in dealing with colonial problems.

2. Our present policy is right in its insistence that a line be drawn against Communist aggression in Asia as in Europe and that this be defended at whatever cost. However, it is essential that the line, where drawn, be morally as well as physically defensible, and that it have the clear support of our European allies and at least open approval of the great majority of non-Communist Asians.

3. We must start now to find a common ground between ourselves and strategically placed India and Japan. While living up fully to our other commitments, we must develop a special priority approach to these two key nations without which a free, stable Asia is impossible.

4. If, as I believe, our present difficulties are as much the result of our words as our actions we must find some effective means of reducing our public emphasis on the military aspects of foreign policy. For practical purposes this means a moratorium on speeches and statements by the Pentagon which affect our relations with foreign powers.

Our military power must at any cost be kept at peak efficiency. But if we are to appear as seekers after peace our foreign policy statements must appear less militaristic, less thundering, less all enveloping.

5. We could do worse than emulate the British whose navy for 100 years silently stood between us and potential European aggressors such as Spain, France, Prussia and Russia. If it had not been for British sea power during this crucial period of our own development we would have been forced into a quite different



If the British during these years had continually reminded us of our dependence on them, of their role in "saving us" our own reaction would have been emphatic. We must provide a similar wall of naval and air power for the free world today with the same maturity and tact which the British demonstrated then.

6. Our diplomacy should have two objectives: first to achieve whatever degree of stability and coexistence the Communist powers will allow us; and second to place on them the onus for whatever cold war differences and tensions continue to exist - and it would be folly to assume that they will not continue.

This double objective is by no means impossible. It will, however, require a quite different approach in our speeches, public statements, and diplomatic discussions.

In dealing with Asia and indeed with our allies in Europe we must start, not with our interpretation of the world situation, but with the interpretation of those neutralist and semi-neutralist nations which may eventually determine the balance of power. Our policy proposals should be projected from this common ground. Any manufacturer who failed to adopt this basic tactic in selling his products would not long remain solvent.

It is important for us to identify our interests with those of all free nations -- and not simply the small group of nations which accepts our lead willy nilly. Through diplomatic channels we should frequently discuss the tactics of peaceful solutions with such leaders as U Nu, Nehru and Hatoyama, as well as Churchill, Eden and Adenauer. When these efforts to ease relations fail, as most of them surely will, the neutralist nations, if we have handled ourselves skillfully, will find themselves associated with us in our failures.

Let me suggest a specific, current example. I recently discussed at some length with both Nehru and U Nu (the Prime Minister of Burma) the question of Matsu, Quemoy and Formosa, and I am confident that the following statement would be enthusiastically welcomed by them.

"We have no desire to retain Matsu and Quemoy once we are convinced that the Chinese will not attack Formosa. If the Chinese will make a clear statement saying that they will not attempt to take Formosa by force we will use our good offices to secure a Nationalist withdrawal from the coastal islands.

"This need not imply that the Chinese have in any way modified their claim to Formosa. But let us first stop the fighting. Then we can plan a conference at which the broader problems may be discussed and settled."

I believe that the Indian and Burmese governments would both support this proposal wholeheartedly in Peking. Certainly it would win the enthusiastic approval of the British. If the Chinese accept it present tensions will be greatly relieved. If the Chinese refuse (as I believe they may) they will be placed in an indefensible position not only in Europe but in non-Communist Asia on the eve of the Bandung conference.

7. We should develop a tenable colonial policy which faces the realities of the present world situation, and yet which remains responsible and practical. Africa requires a hard, fresh, and imaginative new look. We must approach Africa as Africa and not simply as a projection of Britain, France, Belgium and Portugal. Our consideration of Indo-China as a projection of France, rather than as an Asian problem in its own right, cost us dearly.

8. We should improve and extend our information program. Greater emphasis should be placed on a positive affirmation of democratic faith and less emphasis on negative, fear ridden anti-Communism. The information program should respect the first rule of experienced advertisers and start not egotistically with what we want to sell, but tactfully with what others want to buy.

The USIA, however, will face a hopeless publicity task as long as the picture of America which emerges abroad continues to be based on the constant barrage of war-like statements by our generals and our admirals.

9. We should strengthen the morale of our able Foreign Service and seek in every way to improve the standard of American representation abroad. Government officials should also be given a greater sense of urgency and mission. For nine months there has been no American ambassador in critical Burma.

10. We should develop the means of working with Asian nations on a substantial scale as partners in their own economic development. What is urgently needed is a comprehensive plan for the industrially underdeveloped nations plus Japan. Who can estimate what it would be worth to us to keep India and Japan from slipping behind the Bamboo curtain? By the time the price becomes clear to all our key officials it may be too late-- just as in 1948 it was too late to save China.

In the present deteriorating situation an adequate loan-grant-technical assistance program is at least as important as the equivalent effort devoted to military defense. Those who thoughtlessly or in the name of economy seek to block this effort may carry a heavy responsibility when the history of the present period is written.

It will be particularly tragic if we fail to find means of harnessing America's industrial genius to the clamoring needs of fast developing, modern India. It will be a serious mistake to allow the Soviet Union to build the new steel mill in Madhya Pradesh if this can still be avoided. The Russians will throw everything into this project, and it will be surprising if it is not the first of many similar industrial projects in fertilizer, aluminum, electric equipment, etc.

If we allow the Russians to beat us at our own game -- industrial development overseas -- it will be the ultimate folly. I believe that this may be the last year in which we may hope to have the field of industrial development relatively to ourselves.

We cannot, however, save any nation which is incapable of saving itself. Although economic holding actions may be necessary in some areas, a major share of our effort should go to those nations which have demonstrated growing strength in their own right, and which for the long haul may determine the course of history. In Asia this means Japan and India.

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I am aware that the proposals which I have made amount to a heavy shift in the present emphasis in our Asian policies. I am also aware of the contrary pressures which insistently clamor for the attention of our policy makers.

For that reason, if for no other, it is obvious that the shift which I propose cannot be achieved without the most powerful and determined leadership from the White House and from those Congressional leaders of both parties who understand the full dimensions of the danger which we face. My purpose in writing this memorandum is to urge such leaders.

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