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10 April 1956

Validity Study of NIE 74:

Probable Developments in Burma Through 1953,

published 20 February 1953

1. NIE 74 was primarily directed at the internal security problem in Burma. This estimate accurately reflected the improvements in the security situation since the previous estimates and it predicted correctly a slight improvement in prospects for internal security and economic and political stability through the rest of 1953.

2. In stating that ". . . Burma will probably continue to accept /through 1953/ the assistance of the West in strengthening its armed forces and its economy," the estimate failed to anticipate the impact of the Chinese Nationalist troop issue on Burmese foreign affairs. The TCA program was cancelled as of June 30, 1953, primarily because U Nu did not want to be in the position of accepting US aid at the same time that Burma was attacking the US in the UN on the issue of Chinese Nationalist irregulars in Burma. However, the TCA projects already started were allowed to be completed and the actual termination date of the TCA aid came well after the end of 1953.

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