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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

12 January 1951

SUBJECT: NIE-10: Communist China.

THE PROBLEM

To estimate the survival prospects of the Chinese Communist regime and the courses of action it is likely to adopt in its relations with the USSR and the non-Communist world.

CONCLUSIONS

Survival Prospects of the Chinese Communist Regime.

1. For the foreseeable future the Chinese Communist regime probably will retain exclusive governmental control of mainland China. There is no indication that a successful counter-revolution is likely to develop from current anti-Communist efforts. On the basis of the slight evidence available, it is estimated that about 700,000 men may be engaged in active resistance operations, ranging from local banditry to organized guerrilla warfare. Of these perhaps 300,000 are loosely associated with the Nationalist regime on Taiwan. These forces are engaged in widespread anti-Communist activities, but they are uncoordinated, lack effective top-level leadership, and have no constructive political program to offer. By themselves these resistance forces do not constitute a serious threat to the Chinese Communist regime.

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General Objectives of Communist China.

2. The main objectives of the Chinese Communist regime are to establish and perpetuate its own control of all Chinese territory, maintain the national autonomy of China, and construct in China an economic and social order based on Marxist principles. To these ends the Chinese Communists aim at eliminating Nationalist Chinese and Western power from all East Asia as rapidly as possible. By pursuing these objectives in close association with the USSR, particularly in attempting to eliminate Western influence in Korea and Indochina, the Chinese Communists are following a course of action that damages US strategic interests in the Far East and reduces the worldwide power position of the US and its allies in relation to the joint power position of the USSR and China.

Sino-Soviet Relations.

3. The Chinese Communists plainly are coordinating policy and acting in close cooperation with the USSR. At the moment all the available evidence indicates that in their opinion there is between Peiping and Moscow at present a strong bond of mutual interest in jointly protecting the security of the two regimes and in eliminating Western influence from Asia.

4. The current Soviet program of economic and military assistance is enabling Communist China to cope with some of its most pressing economic problems and to move toward achievement of its objectives. Communist China's ties with the USSR will increase if

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Western countermeasures against Chinese Communist advances render Communist China more dependent on the USSR for economic and military support.

5. On the other hand, cooperation between Peiping and Moscow would diminish if the USSR failed to carry out its economic and military commitments to Communist China, if the USSR intervened in the internal affairs of the Chinese Communist regime, or if the USSR attempted to establish control of the Chinese Communist Party, police, and armed forces. There are in addition latent possibilities of conflict between Peiping and Moscow over control of border territories like Sinkiang, Manchuria, and Korea. All these elements of potential conflict between Chinese national interests and over-imperialistic Soviet policy and tactics are long-term possibilities and are unlikely to emerge in the course of taking active military measures against what both regimes consider a common enemy.

6. Unless the USSR itself alienates the Chinese Communists by adopting adverse policies or clumsy tactics, Communist China will maintain its close association with the USSR. The Chinese Communist regime would attempt to break its association with the USSR only if Soviet strength declined sharply in relation to the strength of the US and its allies and if the Chinese Communist regime believed it could remain in power on the basis of a peaceful accommodation with the US and its allies. If during the next two or three years the Chinese Communists should reach the point of wishing to break the

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association with the USSR, they probably would still have the capability of doing so despite Soviet efforts at penetration of the Chinese Communist Party and Army. Close cooperation between Peiping and Moscow in resistance to Western countermeasures against Communist China would facilitate Soviet penetration of command levels in both the Chinese Communist Party and Army. So long as Communist China and the USSR are aiding one another in pursuit of the common objective of eliminating Western influence from Asia, the two regimes can be expected to continue their close association and pursue a joint course of action.

Immediate Chinese Communist Threats to US Security Interests in East Asia.

7. The mounting scale of the Chinese Communist intervention in Korea and the unwillingness of the Chinese Communists to discuss a diplomatic settlement except on their own terms indicate that they intend to drive UN forces out of Korea. Whether they have the capability of doing so within the near future depends upon the size of the commitment of US military forces there and upon Western counteraction against China proper.

8. The Chinese Communists are thoroughly committed to the eventual capture of Taiwan in order to complete the conquest of Chinese territory and eliminate the last stronghold of the Nationalist regime. There is no indication, however, that such an attack is in preparation at present. It is doubtful whether an assault on Taiwan would be successful without Soviet air and submarine support so long as

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the US Seventh Fleet is available to protect the island. If they could close out the Korean operation without heavy attrition, the Chinese Communists might attempt an assault on Taiwan in the course of 1951. In present circumstances it is unlikely that the Chinese Communists would undertake an operation against Taiwan.

9. The Chinese Communists at present also have the capability of intervening effectively in Indochina. Even if they do not openly intervene in Indochina, they can and probably will increase military assistance to the Viet Minh until the French position will become untenable.

10. With present levels of Soviet aid, the Chinese Communists probably have the military capability of simultaneously pursuing the offensive in Korea, intervening effectively in Indochina, and continuing to control dissident groups within China, so long as the US commitments in Korea and Indochina are not substantially increased and so long as guerrilla and sabotage activities in mainland China are not coordinated and supplied from outside.

Vulnerabilities of Communist China.

11. Communist China's pursuit of its objectives in Asia is limited by its vulnerability to various kinds of counteraction by the US and its allies. Because of Communist China's enormous strength in ground forces, the great extent of its territory, and the inadequacy of its communication routes for large-scale military operations by forces equipped and supplied by Western technology, it would be

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virtually impossible for the US and its allies to defeat Communist China in full-scale ground-air-sea warfare with the forces available for this purpose in the near future. Consequently Communist China is vulnerable mainly to measures short of general war with China.

(a) Active resistance by the anti-Communist forces already present in mainland China probably could be maintained in mainland China indefinitely if they were provided a clearcut organization, a high command, a plan of action, effective communications, military equipment, and logistical support. Even under these circumstances, however, in the absence of an effective counter-revolutionary movement with a constructive political program, the resistance forces are unlikely to overthrow the Chinese Communist regime. At most they would contain Communist military strength and prevent its use elsewhere.

(b) Invasion of the mainland by Nationalist armed forces from Taiwan would not pose a critical threat to the security of the Chinese Communist regime. Apart from the difficulties inherent in mounting such an invasion and considerable doubts as to the reliability and effectiveness of the Nationalist forces, there is no reason to suppose that the Communists could not again defeat decisively any Nationalist forces found operating openly on the mainland.

(c) Economic warfare against Communist China would have a damaging effect. The economy of China is mainly rural, operates at the subsistence level, and is largely impervious to outside action. The urban economy of China, however, is largely dependent on

on overseas trade, and the Chinese Communist regime leans heavily on urban political support. Curtailment of foreign trade by Western economic controls or embargos would create urban unemployment and unrest, hinder industrial production and development, and create serious financial difficulties. These conditions would handicap, but in themselves would not critically damage Communist China's economy or its military potential. An intensive sabotage program and a naval blockade superimposed on trade controls would produce a more marked effect. A selective program of aerial and naval bombardment of ports, rail systems, industrial capacity and storage bases, in addition to economic warfare measures, would seriously reduce the military capabilities of Communist China for sustained operations outside its own borders and conceivably would imperil the stability of the regime.

12. Neither the Chinese people nor the Chinese Communist regime could be expected to remain passive after the initiation of such counter measures. These measures would undoubtedly be portrayed, with marked success to the war-weary Chinese people, as proof of Kuomintang and US "imperialism and aggression" and they would be regarded as a transition from localized to general war on US initiative. General and open Chinese attack on all Western interests would therefore have to be expected. Not only would Chinese ties with the USSR and Chinese dependence on the USSR be strengthened, but the USSR would probably furnish increased economic aid and possibly would provide open military assistance. If the USSR did not

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take such US counteraction as the occasion for beginning a global conflict, the USSR would support Communist China to the extent necessary to get the US deeply involved in military operations in Asia, at the same time exploit the fact of US involvement and Western fears of global war to play upon neutralist and defeatist sentiment in the Near East and Western Europe, and thereby divide the US from its allies.

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REMARKS: Copies have been sent to Board members. Mr. [Redacted] suggested that you would have the remainder of the copies.

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