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5. Middle East - Northeast Africa

a. General -- The Middle East is a critical vacuum on the periphery of the Soviet Bloc. Northeast Africa is considered with it because of the mutuality of interest of the countries concerned, and because Northeast Africa affords depth to any position that may be developed in the Middle East. Turkey is a part of NATO, yet must be considered with the Middle East because it is the only country in the region with the political stability and armed might in being capable of real opposition to any Soviet effort to take advantage of the vacuum existing in the remainder of the area. The region has two major areas of strategic importance and one of somewhat lesser importance. First, the oil at the head of the Persian Gulf is vital to the free world, particularly in denying it to the Soviet war machine; second, the Suez Canal is an essential trade route, particularly to the British Commonwealth of Nations; and third, air bases in the Middle East are of great importance in any air counter-offensive launched against Soviet Russia.

b. Favorable aspects.

(1) A strong Turkey, on a comparative basis, exists on the flank of the area of consideration.

(2) Israel is well oriented toward the free world, although there have been disturbing tendencies indicating Semitic susceptibility to the blandishments of the Communist dialectic.

(3) Pakistan has a strategic location and an inherent strength that can be developed in the interests of the free world. The

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philosophy of the country has little in common with that of the Soviet world.

(4) The economies of most of the Arab countries are tied closely to continued associations with the free world, and in some cases to continued grants from these countries.

(5) There is no insurmountable animosity toward the United States to overcome in any of the countries involved, while real ties exist in some cases. (US-Turkey), (US-Israel), (UK-Transjordan), (UK-Iraq).

(6) Communist minorities exist in many countries, even though they may be outlawed and may be growing, despite the hostility of existing governments to this movement.

c. Obstacles.

(1) Open hostility between Israel and the Arab States.

(2) Conflict of interest between the United Kingdom and Egypt.

(3) Instability of parts of the area, notably Iran.

(4) Natural orientation of Pakistan toward resolving differences with India, and as a corollary, the geographical barrier separating Pakistan from the rest of the Middle East which makes questionable the mutuality of interest beyond the very general "defense against aggression."

(5) Lack of common interests among the several countries, beyond defensive considerations that may not be accepted, and common deficiencies of a materialistic nature.

(6) Probable historic animosity of a once subject peoples to Turkey, who will be a keystone in the coalition.

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- (7) Lack of common aims and objectives.
- (8) Lack of some acceptable element of strength to which

to tie.

d. Basic considerations.

Any solution of the Middle East problem must rest upon the provision of a strong base to which to tie. It must develop a range of mutual interest. It should avoid appearances of either primary self-interest or duress on the part of the United States. It should seek a long-term resolution of basic cleavages and differences that exist presently. It should be constructed on the basis of absorbing a minimum of outside active force in the event of general war.

e. Stable Base.

In light of the absence of a stable political state that can serve as a base of operations, it is essential that a base be sought upon which the forces of the free world can fall back if necessary and which will assure a secure line of communications to the area. This base is not a military operating base in the usual sense of the word. It is a state that is firmly oriented toward the United States and its Allies, has an inherent political stability, has no foreseeable problems of racism or nationalism, and has the necessary force to maintain its integrity against outside aggression although assistance may be necessary in a limited degree. In the absence of a suitable state closer to the area, this base should be Ethiopia. It will be developed along the lines indicated unilaterally by

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the United States, and it will not become a part of the Middle East Alliance, unless the normal course of events leads to that eventuality. Specific actions to this end will include provision of a military mission and increased economic aid. The threat of outside aggression will be minimal so that a large military establishment need not be created. Required diplomatic actions to indicate interest and sympathy on the part of the United States will be undertaken.

f. Specific Courses of Action.

(1) Continue or expand United States activities indicating interest and friendship, provide monetary and technical aid, maintain friendly diplomatic relations, expand informational and cultural contacts, and maintain an attitude of strict neutrality between the several countries.

(2) Establish a strong Middle East Defense Organization. Establish within the next six months a regional planning group consisting of the United States, United Kingdom, and Turkey to undertake a survey of the defense requirements of the area and formulate plans for defense. Invite the participation of all Middle East countries and Egypt with notification to Pakistan. Prior to undertaking this activity, the United States must draw preliminary plans that will permit the pursuit of objective defense in the Middle East skillfully, rapidly, decisively and carefully. The sense of urgency usually associated with a project of this nature in the United States must be avoided so that an air of calm, unhurried, and unified purpose is established and maintained throughout the entire conduct of the operation. Only immediate objectives will be disclosed other than a

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long-range friendly interest.

(3) Establish bilateral military agreements where feasible as an initial step toward filling the vacuum.

(4) Where military agreements cannot be formulated, establish aid relationships that will provide an organizational structure for ultimate expansion and exploitation toward the primary objective.

(5) Take these specific actions with regard to the several countries:

(a) Iraq-Transjordan. - Leave as an area of primary British responsibility. Cooperate to the maximum extent in strengthening the British position in the area.

(b) Iran. - Establish a covert apparatus. Conduct covert activities aimed at establishing a base of United States influenced elements which could prevent power from being seized by pro-Communist (Tudeh) forces in the event of disorder. Support the Shah. Avoid interference in the British-Iranian difficulty. Avoid subverting the existing regime until there is substantial progress in the Middle East Defense project. Do nothing to encourage the establishment of a strong Iran on the border of the U.S.S.R. until substantial progress has been made in the reduction of Soviet power in other areas of the world.

(c) Egypt. - Do not intervene in the UK-Egypt quarrel, although support for an amicable settlement should be continued. Support proposals that provide for an adequate defense and friendly control for the Suez base and canal.

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(d) Israel. - Make a reduced contribution to Israel in terms of aid that is comparable to aid provided to Arab States. This will mean a substantial reversal of policy and a material reduction in current aid. Take steps to bring about an amicable settlement with the Arabs. Maintain a receptive but not eager attitude toward Israeli participation in MEDO.

(e) Saudi Arabia. - Make major efforts toward the establishment and maintenance of good relationships with Ibn Saud. Seek the establishment of a training mission and the provision of a small combat element, probably of battalion size, in conjunction with the training mission. Examine critically the problem of succession in Saudi Arabia and seek a successor to Ibn Saud who will maintain a continued friendship with the United States.

(f) Lebanon - Concentrate on developing the internal stability of the state.

(g) Syria. - Support the continued development of a stable regime. Continue aid through UN organizations to improve levels of living.

(h) Pakistan. - Pakistan is preoccupied with the possibility of war with India and with the problem of avoiding conflict with independent tribesmen on her northern borders. The split nature of the country and the weakness of her internal economy compound the difficulties of achieving a high degree of internal stability. The strengthening of Pakistani military capabilities through bilateral agreement, without

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disclosing to India the extent of the build-up, is desirable. In addition, some base rights for the United States should be sought, although only limited build-up should be attained until the defensive strength of the United States is improved. Direct Pakistani initiative toward joining the Middle East Defense project.

.....

(i) Turkey.- As indicated in 5. f. (2), above, initiate planning studies oriented on the Black Sea-Caspian Sea-Persian Gulf - Eastern Mediterranean quadrangle. Maintain a ..... policy of according Turkey high priority in the provision of accelerated military and economic aid consistent with her abilities to use it effectively and Turkey will be in a position of strength on the southern flank of the Soviet Union. Make Turkey a strong ..... base for Asia Minor. Turkey must continue to be a major asset in the area.

(j) United Kingdom.- Incorporate the British in the initial planning group, as indicated. Encourage the improvement and strengthening of the British position in relation to Iraq and TransJordan. Stay outside British conflicts with Iran and Egypt, except where overt and inept British action may incite conflict in the area to the advantage of the Soviet Union. It is conceivable that Satellite or Chinese activities might so divert Soviet attention and energy from the Middle East that force could be used by the British in Iran in pursuit of their interests without inciting the Soviet Union to move into Northern Iran.

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(6) Inherent in all these courses of action is the intention to move slowly and deliberately, stepping up activities where conditions prove favorable. Moreover, only limited objectives will be disclosed, retaining to the maximum extent possible the freedom of actions to shift emphasis and change timing as conditions dictate.

g. Neutral Asia.

With India as the center, neutral Asia is considered from the point of view of denying the area to the Soviets. We are of the opinion that recent Asian independence precludes any real hope of enlisting the aid of the area in the cause of the free world. At the same time, we feel that there is some cause for concern over the possibility of Communist subversion during the next decade. To obviate the fall of neutralist Asia to Communism, the United States together with Great Britain should employ economic [and covert] means to counter Communist advances. In the economic field, we recommend the continuation of aid, particularly of the Point IV variety. This aid should receive suitable propaganda exploitation. [On the covert side,] either with or without the British, our efforts should be devoted to developing in Asia a feeling of disgust and revulsion for Communist methods and objectives. Communism is a strange bed-fellow for Mohammedanism and Buddhism making this unnatural relationship vulnerable to [covert] exploitation. The objective of this operation is to make neutral Asia, primarily India, as strongly anti-Kremlin as possible, whether or not it becomes oriented toward the West.

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6. Sub-Equatorial Africa, Latin America

a. General. These two areas are treated together not principally because they constitute the bulk of the Southern Hemisphere, but primarily because they constitute huge areas of tremendous economic importance which have not yet fallen heavily under communist influence. There is good evidence that both areas are receiving sharply stepped up attention by the Communist International as it goes more on the defensive elsewhere. They are both areas in which the great bulk of the population are non-white, economically depressed peoples who are naturally "neutralist" in their orientation and often easy targets for communist influence. They are both areas in which military and political and economic factors are considered of secondary or tertiary importance relative to other more crucial areas and thus have received a minimum of attention and support.

b. Basic Strategy Applicable to Both Areas

(1) The basic strategy which we recommend for both areas is a sharply stepped up counterattack against Communist infiltration in order to nip their present build-up in the bud. This Early First Phase effort would be accompanied by a high priority drive in both areas to penetrate all Nationalist movements and influence them against Kremlin Controlled Communism. Also, in the First Phase and in both areas we would give high priority to economic aid to the extent necessary to rob the communists of their powerful weapon against economically depressed targets. In our psychological warfare efforts we would topple the communists off the surf-board of racism in insisting publicly on equal treatment regardless of

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color even to the extent of alienating minority opinions within our western allies. At the end of the First Phase we would hope to see no active communist parties operating overtly in the Southern Hemisphere. We hope to see the Communists firmly established as the arch-enemies of Nationalism throughout these areas. We urge this high priority and early action for these areas so that we may not be impeded and hindered in the critical campaigns of the Second and Third Phase by communist successes in our flank and rear. We have the means to secure these areas now, (while we must build up resources before we can make major accomplishments in the more critical areas.) Here we can stop the Communist Conspirators while their conspiracies are hatching, instead of being faced, through neglect now, with shocking communist faits accomplis later.

(2) Maximum damage to our prestige can be accomplished here with a minimum of enemy effort. By the same token, these areas offer fields for real accomplishment on our part with a minimum of effort. Both of these Areas are, in general, either in, or wavering toward, the Neutralist Bloc. The next step will be to waver toward the Communist Bloc. This can and must be stopped early in the game. If we are to "Climb to Victory" this is a necessary first rung. Then in Phase II and III we can merely hold in these areas while attacking in the decisive target areas. The effect of victories here will have tremendously favorable implications in the more critical Neutralist world -- especially in India and throughout Asia and the Middle East.

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c. Sub-Equatorial Africa

(1) General Considerations Common to Whole Area

(a) Anti-Colonialism - Nationalism - Racism. Non-white peoples are gradually becoming restive and resentful of colonialism and of their white "masters". This causes a natural orientation away from the Metropolitan Western European countries. The communists exploit these factors. It is most acute in Kenya (Mau Mau country), least acute in the Belgian Congo.

(b) Economic Depression. These peoples are slowly coming awake to their state of poverty compared to the rest of the world. The communists exploit this factor.

(c) Neutralism is most acute among the "cape colored" segment of the population of the Union of South Africa and of Southwest Africa, where Malan's violent "white supremacy" program and anti-nationalist attitude toward the former German Colony of Southwest Africa arouses deep resentment throughout Africa and in Asia and Latin America. Feeling is particularly strong in India, which could lead this area into an anti-Western "Neutralist" Bloc.

(2) Particular Considerations in Particular Areas

(a) The Union of Southwest Africa

(i) Has only sizeable white population (1 to 5). Can contribute significant military support to a Middle East Command.

(ii) Has only important industrial complex (uranium, gold, diamonds, coal, steel, electric power, transport).

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(iii) Could be the most important stabilizing force (economic and military) throughout Sub-Equatorial Africa. But politically it is a disruptive force which offers windfall opportunities to communist exploitation.

(b) Ethiopia

(i) Strategically important in Red Sea Area.

(ii) Politically relatively stable monarchy with strong Christian and thus potentially strong anti-Red orientation.

(iii) Little CP activity in Ethiopia per se but Addis Ababa is being used as CHQ of the Kremlin communist conspiracy in Africa.

(c) British West Africa

(i) Important source of strategic materials -- especially manganese and diamonds.

(ii) Leading British-African experiment in local self-government. Natives are more politically conscious than in any other area (save the Union).

(iii) Communists are stepping up infiltration of New Nationalist Government.

(d) British East Africa

(i) Considered "Strategic Reserve Area of U.K." Important mineral resources.

(ii) Target of Mau Mau and other "Africa for Africa" movements, being exploited by, but probably not yet controlled by, Kremlin-CP.

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(e) French West Africa

- (i) Strategic Reserve Area of French Empire.
- (ii) Strong stable French control -- but French.

Colonial Government itself is CP-penetrated.

(iii) CP is legal and active, especially in the Ivory Coast and Senegal where French educational institutions are CP "fronts".

(f) Belgian Congo

(i) Strong paternalistic colonial government with little native political consciousness.

(ii) Little effective CP activity.

(iii) Joint U.S.-Belgian plans in effect to prevent strategic sabotage.

(g) Central African Federation

(i) Another British "Strategic Reserve" with rich mineral deposits.

(ii) New multiracial self-government experiment.

(iii) Little CP activity so far.

(h) French Equatorial Africa

(i) Extremely backward colony.

(ii) No discernible CP activity.

(i) Madagascar

(i) Same.

(j) Spanish, Portuguese and other Miscellaneous Colonies

(i) Same

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(3) General Policies Recommended

(a) That the United States will take a positive policy toward insuring that Africa will become and remain, on a long-range basis, oriented anti-Kremlin.

(b) That the United States will expect and require full cooperation from all Western allies in:

(i) promoting an anti-communist conspiracy drive.

(ii) insuring against sabotage of strategic materials in the event of war.

(c) [The U.S. will unilaterally and multilaterally lay-on long term deep cover intelligence assets and penetrations of potentially powerful Nationalist Racist groups.]

(4) Specific Steps Recommended

(a) The United States overtly:

(i) make clear and repeat that it favors independence and self-government for all peoples including colonials.

(ii) Encourage the formulation of plans for the scheduled progressive development of self-government by the Colonial powers.

(b) Increase the USIE program throughout Africa.

(c) [Personnel and funds necessary to support a program of increased clandestine activity throughout the continent of Africa be allocated by CIA.]

(d) [CIA to give priority to establishment of long-term non-governmental cover to these areas.]

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(e) Since the spread of Nationalism is considered to be inevitable, the United States must take measures now to influence the leaders and movements which will come to power. In order to be effective to the maximum our action must be taken while it may yet be construed as being voluntary and before the nationalist leaders are in a position to require more for their cooperation.

(f) Throughout most of Africa the U.S. should strongly encourage the participation of private capital in ventures that will effectively raise the standards of living of all of the people in the area and not just those monied European groups who now control the area and the economy. But, since it is probable that in the future essentially independent governments will control these areas, it will be extremely important to the strategy of the Free World that these new governments be anti-Kremlin in orientation.

(g) One of the best ways to encourage a better racial atmosphere is to insure that native students who visit this country will be effectively received and indoctrinated toward the United States and its people.

(5) Summary. There is a strong possibility that, if the United States does not take the steps outlined in the paragraph above, we will have left the door so wide open to the Kremlin-Conspiracy that they cannot fail to take successful advantage of the situation. In that event either we or our allies may be forced to use armed power to hold the area in the event of war. In the long run, America's success in Africa will

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probably depend upon attitudes and activities regarding the human problems of the region. While we must cooperate with the present governments, to assure the continued flow of strategic materials, we must also build for the future by the concurrent development of assets whose roots among the native, colored, Indian and white elements of the population will enable us to influence these groups toward moderation and stability internally and toward anti-communist orientation in foreign affairs.

d. Latin America

(1) Political. Chronic political instability and centralization of powers are common characteristics of the Latin American Republics, inherited from the master and serf relationships of the feudal world of the Spanish conquest. Bolivar's and San Martin's revolutions left the lives of the Indian people relatively untouched. Control by landed aristocrats, the Army and the clergy continued making the masses ripe for communism. The CP has already made great headway in penetrating and controlling the labor union movement, and through it has penetrated and is penetrating (with rapidly increasing tempo in 1953) the governments of these states. There is good evidence that these Kremlin-controlled efforts will be greatly intensified in Latin America in the immediate future. This constitutes a grave political and strategic threat to the United States deep within its own Hemispheric Bloc. Communist Party successes such as Guatemala and British Guiana do maximum damage to United States prestige with a minimum of effort. Furthermore, Latin American Communist Parties constitute a military-economic threat of the first order in time of war through

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strategic sabotage. In addition to communism there is a tendency toward anti-U.S. Nationalism. This is most aggravated in Argentina, where a queer admixture of state socialism, facism, communism and imperialism (i.e. Argentina's planned hegemony) unites in a violent anti-U.S.ism which is flirting with both the Neutralist and Communist blocs. On paper, the United States and Latin America are united in attempts to eradicate the communist conspiracy. In practice there has been much less cooperation than the security of this hemisphere requires.

(2) Militarily the problem has been one of drawing a fine line between arming the Republics for maintaining internal security and Hemisphere Defense while attempting not to equip forces which may prove hostile to their neighbors nor to furnish the means for governments to oppress their peoples.

(3) Economics. The key to the Latin American problem is technical and economic assistance in developing their own resources to raise their standards of living. A comprehensive and adequate program to this end -- free from "economic imperialism" -- has never been achieved because of higher priorities for areas considered to be more essential and sometimes because of conflict with private U.S. commercial interests.

(4) Propaganda and Covert Operations have been relatively limited because of the low political, military and economic priority accorded this area in recent years. (E.g. Only 1.8% of foreign aid goes to Latin America).

(5) Counter-Sabotage is the only field in which serious

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attempts have been made and these attempts are inadequate because they are based on the mistaken principle of guarding the strategic resources (an impossible task from its very scope) with forces which may prove unreliable, rather than through penetration and disruption of sabotaging groups.

(6) Conspiracy. In fact, the Latin American republics are demanding more economic aid and technical and military assistance as a quid pro quo for suppressing their communists despite the paper agreements. That the problem is a very real one is indicated by the brief estimate of CP activity in Latin American countries set forth in Appendix A.

(7) General Courses of Action

(a) Overt Political, Economic, and Psychological

(i) Attempt to regain full measure of pre-war Latin American friendship especially in Brazil by VIP treatment.

(ii) State and restate over and over United States belief in the political and economic national sovereignty and independence of all Latin American countries.

(iii) Increase aid to Latin American countries and direct it to the development of their own resources.

(iv) Increase efforts of American labor, student, religious and cultural groups to gain rapprochement with their opposite numbers in Latin American countries especially through exchanges, scholarships, etc.

(v) Send carefully selected and important men with some knowledge of the area as Chiefs of Missions to Latin American countries.

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(vi) Press for overt and legal repression of groups seeking overthrow of national governments friendly to the United States.

(vii) Expose true nature of communist threat.

(b) Military. Pour on the VIP treatment and play up to the Latin American military ego by rank and importance of military missions.

[REDACTED]

(ii) Press for joint security police agreements (similar to joint military agreements) and arrange missions exchanges, etc.

(iii) Organize militant [REDACTED] nationalist and other anti-Kremlin groups.

(iv) [REDACTED]

(v) Work closely with and support potentially strong anti-Kremlin individuals who have a following and the respect of their own people.

(vi) [REDACTED]

(vii) Give high priority to anti-sabotage by penetration of hostile groups capable of serious strategic sabotage.

(viii) [REDACTED]

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(ix) Penetrate [redacted] groups to strengthen or reorient against the Kremlin-conspiracy.

(x) Prepare to use third forces in bringing about a supplanting of the pro-Kremlin Government in Guatemala, with one of anti-Kremlin, pro-U.S. orientation.

(xi) Increase allotments of funds and personnel [redacted] in Latin America so that First Phase program may be sharply stepped up.

(xii) [redacted]

(xiii) Move fast and overtly into Brazilian and Venezuelan situations to counter the rapidly increasing drift of these long-time staunch allies toward the Communist camp.

(xiv) Push an aggressive anti-Peronista movement throughout Latin America (using Latin Americans, not North Americans). Build up nationalism against Peron's attempts at continental hegemony.

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7. Northeast Asia

a. Korea

(1) With a cease-fire agreement in effect

(a) As this report is being written there is great uncertainty as to what the situation will be on the Korean Peninsula in the immediate future. If there is a cease-fire, the problems of the area are primarily political and related to the political conference which is scheduled to be held within ninety days after the cease-fire agreement becomes effective.

(b) If the Communists are willing to go through with the cease-fire agreement in the face of the recent actions taken by the South Korean Government, it will be a clear indication that they are finding it increasingly difficult to support combat operations in Korea and are extremely desirous of ending the fighting so as to enable them to consolidate their position, eliminate the heavy combat expenditures involved, or concentrate their effort elsewhere. It will most certainly not indicate that they have abandoned their objective of establishing a unified Communist government on the Korean Peninsula. We believe that they will carry out the terms of the cease-fire agreement only so long as it suits their purposes. They may be expected immediately to initiate intensive political, psychological and covert warfare to achieve by these means what they have temporarily failed to accomplish through overt military aggression. If these methods fail and, when the situation is again favorable (as the result, for example, of withdrawal of UN forces from South Korea), they can

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be expected again to resume military operations to achieve their objective of establishing a unified Communist Korea within the Soviet Bloc.

(c) We believe, therefore, that the United Nations position at the political conference should demand the establishment of a unified, independent Korea not under Communist control. We should not agree to the withdrawal of United Nations Forces from Korea in return for the withdrawal of Chinese Communist forces to the Yalu. The strategic advantage which would accrue to the Chinese Communists under such an agreement is obvious. UN Forces should be retained in Korea both as a defensive measure and as a "stabilizer". To avoid border clashes between the Chinese Communist and ROK forces we recommend the establishment of a "neutralized" zone, say 10 miles wide, 5 miles north and 5 miles south of the Yalu River and present border. Normal governmental operations would continue up to the pre-war Yalu boundary except that no military forces would be permitted in the zone which would be open to inspection of a neutral commission established for the purpose.

(2) No Cease-fire

(a) If there is no cease-fire in Korea we recommend that the UN Command, taking full advantage of its control of the sea and air, immediately begin the build-up of forces necessary to extend and intensify military operations against the enemy, including air and naval action against Communist China and Manchuria, and when the necessary forces are available, to launch a coordinated airborne, amphibious and land offensive to:

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- (i) Seize a strong military position across the waist of Korea.
  - (ii) Destroy or capture maximum enemy forces and equipment, and
  - (iii) Create conditions that would force the enemy to accept an armistice and political settlement favorable to the United Nations.
- (b) The decision to adopt the foregoing course of action would involve certain preliminary actions to include:
- (i) Move the necessary US-UN forces to the Far East.
  - (ii) Authorize the employment of atomic weapons.
  - (iii) Launch air offensives against enemy installations (particularly air and logistic) north of the Yalu.
- (c) A major objective of the coordinated offensive in Korea would be to inflict heavy equipment and supply losses on the enemy by the early cutting of routes over which he must withdraw from the present front. This would require that the Chinese Communist and North Korean forces escaping the enveloping operations be completely reorganized and re-equipped or that new, and probably less effective, units be moved into North Korea from China or Manchuria. The supply and equipment problems presented the Communists as the result of such a successful operation could well strain existing Peiping-Moscow relationships to the breaking point.

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(d) Estimated Additional Forces and Casualties. The estimated additional UN forces required to carry out the military operations recommended above are:

Army--3 Divisions (one airborne, one Marine  
and one Infantry)  
Complete build-up of ROK forces to 20 Divisions  
Navy--Additional amphibious lift and minesweepers  
Air-- 2 Medium Bomber Wings  
2 Fighter Interceptor Wings  
2 Fighter Bomber Wings  
6 Troop Carrier Wings

It is estimated that approximately nine to twelve months will be required to complete the foregoing build-up and that three to four months of combat will be required to accomplish the contemplated operations. Friendly casualties for the period are estimated to be of approximately the following order of magnitude: ROK: 175,000; UN: 70,000.

(3) Economic

(a) Under either of the conditions mentioned in (1) and (2), above, the Republic of Korea will require considerable economic assistance if it is to survive the effects of long and costly war. The economy of the Republic of Korea before the war was extremely weak and its industrial potential practically nil. During the last three years of war it has, with U.S. assistance, made an enormous military effort. It has, however, suffered heavy losses in personnel and property and rehabilitation of any kind is greatly hampered by the millions of refugees and destitute who require food, shelter and control.



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(b) The eyes of the world, particularly the Asian world, are focused on Korea and how it fares under its association with the United Nations. Unless the economic problem can be solved, we can well create a political and military situation that would undo everything we have accomplished in Korea to date. If the people of the free world, particularly of Asia, in observing the situation in Korea are led to believe that similar resistance to Communist aggression on their part would lead to comparable suffering by them, under similar circumstances, they will lose their will to resist such aggression and their desire to remain free. We must, through the provision of economic and technical aid, so assist the Republic of Korea in the rehabilitation of their country that they stand out as an example, to Asia in particular and the rest of the world in general, that association with the Free World and resistance to Communist aggression will bring forth effective moral, economic, political and material assistance from the Free World.

b. Japan

(1) The security of the Japanese Islands is of critical importance to the strategic interests of the United States in Northeast Asia. In addition to the military problems involved, there is the important problem of maintaining a sound Japanese economy, in the light of conditions existing in the Far East. Japan must have markets for her manufactured products and access to food supplies to meet her present deficit. Trade with other non-Communist nations, particularly Southeast Asia, is

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essential to meeting both these requirements.

(2) In establishing a free and independent Japan oriented toward the U.S., we recommend that the U.S. take the lead in proposing that Japan be brought into the United Nations and assist the Japanese in developing relationships with the nations of the Free World that will strengthen her security and economy. We should step up our effort to have the Japanese take action to build up their national security forces to the level that will enable them effectively to resist external aggression without substantial U.S. assistance. Their recent accomplishments toward this end have been disappointing in every respect. They appear to be content to have U.S. forces provide this defense. The Japanese readily have the capability, with initial U.S. material assistance, of quickly developing a ten division ground force with appropriate naval and air arms. The United States should exert every pressure on the Japanese to remove the present obstructions (constitutional restrictions, political excuses, and general indifference) to reaching their goal of a ten division National Safety Force, by June 1954 as originally scheduled, and developing an industrial capacity capable of supporting and maintaining that force.

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8. Southeast Asia

a. The subject of Southeast Asia falls principally under General Objectives (c) and (d) of NSC 153/1 -- strengthening the Free World; and prevention of Soviet expansion.

b. It has become axiomatic to state that Southeast Asia is the key to the Middle East, South Asia, and Australia. The "key to the key", as Governor Dewey expresses it, is Indochina. The body of this section will therefore concern recommendations for Indo-China, as the urgent element in the Southeast Asian complex. General recommendations for other countries in the region will come into the discussion incidentally or in special mention after the detailed program for Indo-China. Actions under covert operations will be presented at the end, for the entire region.

c. Considered in retrospect, progress in Indo-China since 1950 has been quite appreciable. From a point where "independence" was a term in the March 8 Accords or the Pau Agreements, the situation has evolved to a point where only a restricted list of relatively minor (though still important) elements can be cited as still circumscribing full independence within the French Union.

d. But this progress started much too late, and has remained much behind the general schedule of events in Asia. Steps in the process have often been badly timed, so that they appear to have been forced upon the French by opposing successes, rather than conceded by the French in a manner to inspire confidence and demonstrate further good intentions. Delays in implementing announced plans have raised doubts as to ultimate French aims,

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and new promises have been received by the indigenous populace with less and less credence; as a corollary, hopes on the part of Frenchmen living in Indo-China\* are raised by these delays and their traditional attitude toward the native aspirations is harmfully encouraged. The end of the conflict is not in sight, in either the political or the military realm, in spite of the goals repeatedly set in order to lessen indigenous pressures, to quiet metropolitan complaints, or to elicit American aid.

e. Under these conditions, the situation in Indo-China can only deteriorate unless the trend is arrested very soon by some drastic change in strategy. We believe that part of this drastic change should be drastic action, taken with more assurance now that other solutions have been tried with too-meager success. This action should be launched at the earliest possible moment. The current rainy season will keep contending forces largely inactive until October. Any major offensive must be planned and ready to go by that date, else the new rains of next May will interrupt plans operations right in the middle and once more postpone attainments by one year. Certain political steps could be taken during this current military lull. The military offensive should be undertaken with the very beginning of the dry season, since only victory can reverse the psychology in Indo-China and permit real implementation of political moves pointing toward independence and local strength on the side of the Free World.

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\* They have never been taken seriously enough in our studies of the Indo-Chinese problem. Numbering perhaps 40,000 in all, they wield an influence out of all proportion to their size, and thus flaunt the wishes of 43,000,000 in Metropolitan France.

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f. The U.S. has been paying one-third of the material cost of the war in Indo-China, is being asked to furnish a still larger share. Participation on such a scale carries with it inescapable responsibility for getting full value out of the investment. Under present arrangements, it is virtually impossible to discharge this responsibility, since there is such limited opportunity for controlling the use to which the U.S. investment is put. And there would seem to be little chance of improvement in our direction as long as attempts are made to decide issues in both Saigon and Paris, with each having enough weight largely to counter-balance the other.

g. We therefore strongly recommend that the U.S. request a thorough study with French authorities in Paris before additional, or even continued, aid is accorded for prosecution of the war in Indo-China. In order to underline the intent of making this a deep, meaningful examination of the problem, a U.S. mission of very high rank should be sent to Paris, with orders to remain on the spot until workable arrangements can be effected for a realistic cooperation in Indo-China. Indo-Chinese authorities should of course be invited to participate in such a study, but in Paris rather than in Saigon, in order to avoid continuation of the weak, split decisions that have complicated the past. The formation of the Lanier Government, with its immediate plan for requesting further "foreign" aid, serves as a logical moment for the proposed conference. It could be announced as an outgrowth of the Big Three talks, at which the problems represented by Indo-China demanded considerable attention. The specially appointed missions from the U.S. and Indo-China (rather than diplomatic representatives already in Paris) would tend to give

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the appearance of a new look on the part of other national teams than just the French. And with the build-up thus assured, maximum propaganda use could be made of the results of such a conference.

h. The proposed conference in Paris between high representatives of the French and U.S. Governments, with such participation by Indo-Chinese authorities as may be agreed upon in advance, should take up the following points, with a view to effecting the solutions indicated:

i. Diplomatic

(1) Final transfer to the Indo-Chinese Governments of all remaining elements of complete sovereignty. The French Government should set a date for the full independence of the Viet Nameese, Cambodian, and Lao Governments. The date chosen should obviously not be so early that adequate preparation could not be made; on the other hand, (a) such elements of full sovereignty as remain to be transferred are relatively small in number and importance, by comparison to those already transferred, so that there will be a minimum of confusion and complication when the final ones are effected, and (b) a fairly early date will have to be set, after all the unrealized French promises of the past, if any advantage to morale is to be gained from the move. It is therefore suggested that the Oriental New Year's (when Oriental rulers and governments traditionally announce new programs to their peoples) in 1954 (early February 1954) be set as the date of full independence, announced at the earliest possible moment and certainly before the launching of the military offensive against the Viet Minh this coming autumn (October).

(2) Final status of the Three Associated States of Indo-China

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in the French Union. Concurrent with the announcement of the date for full independence for the Indo-Chinese States, there should be announced that at the successful close of the war with the Viet Minh, the security of the Associated States having been thus assured, they would be permitted to vote whether they choose to remain a part of the French Union. This move would be designed to explain the continuation of necessary French controls for the duration of the war, and to offer an added incentive for maximum effort on the part of native forces in their prosecution of the war..

(3) Administrative changes in Indo-China. The following administrative changes should be announced at the close of the conference in Paris, without waiting for the date of full independence:

(a) Immediate transfer, to posts outside Indo-China, of all French colonial administrators that were in Indo-China on official assignment before 1950 (the year current reforms actually got under way). Presence of such old-time colonial officers as Gauthier, Risterucci, and De Peyrera, represents a psychological deterrent of very grave proportions. The higher the rank of such individuals, the sooner they must be moved out. They should be replaced by capable officers of the type of certain recent appointees who represent the true thinking of Metropolitan France on Indo-China.

(b) Immediate change of administrative titles in any manner reminiscent of the old regime to titles indicating the new diplomatic status of the Associated States as of February 1954. "High Commissioner" becomes "Ambassador", "Governor General" becomes "Minister" or "Counsellor", etc. Once more, continuation of the present titles is a psychological

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handicap which France is far less able to afford than the slight loss of face in recognizing, at this late date, Indo-Chinese hegemony through diplomatic nomenclature.

(c) Elimination of all possible symbols of French colonial rule. Foremost of the things in mind is the Norodom Palace, in Saigon, which the Viet Nameese say should go to house the legitimate government of Viet Nam, which the French say cannot be turned over without too much loss of face or local prestige. If such monuments to the past cannot be disposed of without violent reaction, they should be destroyed or devoted to "neutral" purposes (museums, parks, etc.).

(d) Immediate abrogation of French juridical privileges in Indo-China. As they now exist, they are particularly annoying to the Cambodians, though they cause friction in Viet Nam as well. French individuals unwilling to submit to a more nearly egalitarian process of justice might be advised to seek residence in other lands.

(e) Immediate relinquishment of French right to review legislation passed by local governments. As matters now stand, laws enacted in Viet Nam must be promulgated by the French High Commissariat; even when this is a rubber-stamp procedure, it leads to resentment and friction.

(f) Immediate relaxation of French restrictions on the diplomatic relations between the Associated States and foreign governments. At present, the exchange of diplomatic officials with foreign nations must be approved by French authorities.

(4) Submission of the problem of the invasion of Laos to the

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United Nations. Such flagrant aggression must be handled in the accepted manner, if any claims to sovereignty for these young nations are to be taken seriously.

(5) Stepped-up drive for the admission of the Associated States into the UN. Few developments have contributed as much to good morale among the natives of Indo-China as membership in UNESCO and participation in the San Francisco Peace Conference. Membership in the UN would greatly increase self-esteem among Indo-Chinese nationals.

(6) Earliest possible institution of a National Assembly in Viet Nam. All political factions of consequence in the country should be represented, and powers of the Assembly should be sharply delineated.

(7) Adoption of a constitution for Viet Nam, to fix the legal status and continuing rights of the so-called Chief of State (Bao Dai), the National Assembly, the courts, and local and regional governments.

(8) There should likewise be included under "diplomatic" recommendations, those concerning the role of the U.S. as military partner in Indo-China, since the implications in this participation are so largely diplomatic. It is essential, as indicated below, that the U.S. have a much greater and more direct part in the conduct of the war in Indo-China if American aid is to be maintained at anything like the levels requested. But the military benefits of this increased role could conceivably be more than offset by the political complications arising out of it. The task of cooperating in the training of native troops is occasionally complicated by the ill-concealed contempt of American officers for French training procedures. A minimum of

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careful psychology could obtain faster results of the right sort than do current practices.

j. Military

(1) Continued and increased U.S. assistance in funds and materiel for prosecution of the war in Indo-China, but only if the controlling role of the U.S. can be enlarged. This recommendation is not at odds with the last one under "Diplomatic" above. The problem is largely a psychological one, to be solved, if at all effectively, by psychological approaches. The end sought is no less important or desirable for that fact.

(2) Greatly increased build-up of indigenous forces. The French have already made promises in this direction and base a part of their request for additional funds on this program. But the increase must be realized through greater tempo if anything like an effective time schedule is to be maintained in Southeast Asia.

(3) Accelerated training of Viet Nameese, Cambodian, and Lao officers and technicians. Capably trained officers are being turned out too slowly, and the scarcity of native technicians is retarding replacements of French personnel needed in Europe. If France cannot provide the necessary training, she must permit use of other than French personnel and French facilities for accomplishing the task (e.g., training in the Philippines).

(4) Creation of military units more mobile in offensive action against the Viet Minh. Retention of old methods is justified only as long as the old methods prove effective.

(5) Creation of larger French Union military units to measure

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up to increasing Viet Minh units, which have now grown to division size (small divisions, but nonetheless organized along division lines). Units of battalion size are considered inadequate any longer to meet Viet Minh strength. We recommend the formation of Franco-Viet Nameese divisions as necessary military organizations.

(6) Immediate promotion (coinciding with the announcement of the date of full independence) of a significant number of Viet Nameese officers to rank of importance. Such a move would have an excellent effect on native morale, without in any way endangering control of the Viet Nameese military machine. One Viet Nameese general is not enough to protect the Viet Nameese army against snide remarks by objective observers.

(7) Blockade of the northern border of the Tonkin. This action must be thorough and prompt. It should mark the offensive against the Viet Minh at the very beginning of the dry season in October. It should be accorded whatever force is necessary to make it effective. Since it is intended to shut off military supply routes to the Viet Minh and food supply routes to the Chinese, it must include blockade of those sections of the Viet Nameese coast used by enemy forces for shipping necessities from one army to the other. The blockade would also shut off escape routes of Viet Minh seeking asylum on Chinese soil.

(8) U.S. assistance to guarantee maintenance of the blockade during the rainy season after the offensive campaign. Thus far, it has not been possible to establish installations strong enough and self-sufficient enough to withstand virtual isolation during the five months of rain and the

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annual Viet Minh offensive at rain's end. Yet unless it is possible to maintain the blockade once it is established, the attack against the re-established Viet Minh will have to be undertaken each October, as in the past. Such installations will be costly in both materiel and manpower. Without them, effective blockade is probably impossible.

(9) Reinforcement of the Burmese and Lao borders. Equally important to an effective blockade are assurances against Viet Minh flank movements to the west of the Tonkin delta. The recent invasion of Laos illustrates possibilities open to the Viet Minh against which the best defense feasible will have to be mounted.

(10) Membership in regional or Pacific military pact. In addition to the greater strength thus brought to Pacific defense, such membership is probably the only guarantee against betrayal of the West, once indigenous armies are created and given full freedom.

k. Economic

(1) Realistic reappraisal of the French policy vis-a-vis the French in Indo-China concerning:

(a) repatriation of money earned in Indo-China or through Indo-Chinese enterprises; until now, most of such earnings have been brought back to Metropolitan France, where they have neither contributed adequately to French national revenue nor, naturally, added to the capital investment in Indo-China, at least in so far as it might be available to the new governments;

(b) special monetary exchange privileges; these privileges

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tend to encourage black market dealings in monetary exchange, to the detriment of native treasuries;

(c) special customs rights; certain categories of these rights have been maintained in spite of apparent intent of the Pau Agreements; they favor private interests, to no great benefit either to France or to any one of the Associated States.

(2) Relaxation of export trade restrictions on the Indo-Chinese. These restrictions apply principally to those items of export representing competition to French trade. They discourage increases in trade with Japan and other free Asian countries, yet without such increases a viable economy in the Pacific will be harder and harder to maintain, and so will orientation of now free countries toward the Western bloc.

(3) Economic reforms within Viet Nam. Needs are broad and will be long in realization. Most urgent, in terms of public impact, are redistribution or allocation of land, and codification and control of credit systems (crack-down on usury, and encouragement of free enterprise investment). Such reforms have been repeatedly announced by Bao Dai and by President Tam; thus far, implementation has been much less than satisfactory.

(4) Continued economic aid under MSA, to the extent that it can be effectively assimilated into the local situation. Greater caution should be exercised with one-shot projects (housing developments, and the like) which lend themselves to local speculation or exploitation, and projects too far in advance of the psychological and technological development of the populace. Such projects too frequently end up by being devoted to some other use than

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the one originally intended, and even the psychological benefit is lost in popular confusion and incomprehension. Economic aid should rather be dedicated to projects that can remain under supervision (agricultural improvement, health programs, public works, basic industrial plants).

1. Propaganda and Education

(1) Greater cooperation with French and British propaganda services in order to present concerted approach to problems in Southeast Asia. This recommendation includes neither subjection to Franco-British interpretations nor open support of French or British positions. It proposes rather a harmony of presentation that could easily come of close informal liaison between allies. Its purpose is to avoid weakening the free world posture in Southeast Asia through apparently contradictory views on basic issues. Further, such cooperation would permit presentation of propaganda from angles most favorable for their acceptance by the populace (it would obviously be advantageous, for example, for the French Information Service to speak of certain aspects of American aid, rather than for American services to advertise it; and it would be equally beneficial for the Vietnamese Information Service to disseminate French concessions to the Associated States, rather than have the news blunted by being distributed through French channels).

(2) Campaign through all media that reinforcement of the Tonkin border is a defensive move to deter attack on Indo-China from China. Important for world public opinion.

(3) Repeated announcement through all media that an aggressive

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move against Indochina on the part of the Soviet or the Chinese would provoke drastic retaliation on the part of the Free World (the French Union forces in particular supported by such American strength as may be deemed essential) including the destruction of bases and supplies on Chinese mainland territory.

(4) Stepped-up radio and leaflet campaign against forces of Viet Minh. Little use has been made of ridicule and sarcasm, to which the Viet Minh are peculiarly susceptible. Money and other inducements should be offered to defectors returning to the Vietnamese following.

(5) All-out indoctrination of native troops during their period of training. By no other means are these troops to get even the minimum background necessary to retain their loyalty at such time as military authority is turned over to them. The program is one of dubious lasting result, but without it minimum precautions against later defections cannot be said to have been taken. Opportunities for contact with and observation of other native armies in the area (particularly the Filipino, and perhaps the Korean and the Japanese) in order to demonstrate possibilities for further military development and give some idea of regional cooperation.

(6) A hard-hitting campaign to offset the harmful role of French reactionaries in Indo-China. The deterring influence of this minority must be made known to public opinion in France particularly, so that its effect can be counteracted.

(7) A sharp campaign directed toward Indians, and toward neutralist elements in Burma and Thailand. This campaign, implemented once

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more through a concerted international information program (British, French, and local), should indicate progress made in Indo-China, combat harmful rumors manufactured in these highly critical countries, and decry the tendency to build up only destructive attitudes. Once more, the common posture of the West is at stake.

(8) Programs designed to create a regional consciousness in SEA. Without such consciousness, there is little hope of any eventual cohesiveness of action in that area.

m. Time Phasing for Indochina

(1) By 1 September 1953, conference in Paris to arrive at full understanding for vigorous prosecution of Indochinese war.

(2) October 1953, announcement by French of full independence ("dominion status") for Associated States for February 1954, and of vote on membership in French Union at war's end.

(3) November 1953, election of National Assembly in Vietnam.

(4) December 1953 - announcement by French government of exact future status of French nationals continuing to live in Indochina; removal of former colonial administrators, changes of administrative titles to diplomatic titles, destruction of Norodom Palace.

(5) October-November 1953, launch major offensive against Viet Minh, pushing directly to northern Tonkin border.

(6) October 1953-May 1954 (end of dry season), major effort, with full U.S. material and technical aid, to establish effective blockade of Tonkin border and all other Viet Minh supply routes.

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- (7) February 1954 - full independence to Vietnam, Cambodia, Laos, with world-wide fanfare.
- (8) March 1954 - forceful drive for admission of Associated States to UN; press for recognition of these nations by all nations of the free world (and especially in Asia).
- (9) May-October 1954 - maintenance at all cost of blockade of supply routes during rainy season.
- (10) 1955-1956 - wipe-up of Viet Minh.
- (11) February 1957 - vote of Associated States on whether to remain in French Union.
- (12) 1957-60 - complete withdrawal of French troops from Indochina.

n. Considerations on other countries in Southeast Asia.

(1) Indo-China is the "key to the key". Once its particular problem is settled, many of the problems represented by other SEA countries will tend to disappear. For many peoples are merely waiting to determine on which side success lies to make up their minds to positive action.

(2) Indonesia. Much of Indonesia's refusal to cooperate is simply an opposition to being in the slightest influenced, for good or for bad, by outside countries. The result is of course dangerous flirtation with forces apparently making no attempt to persuade them; and so Communism has its chance. We recommend that we play a similar game, without at the same time relaxing our watchfulness. Any absolutely necessary pressure on Indonesians might better be brought through the Dutch, with whom they appear to be loosening up somewhat.

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(3) Malay. The British are handling it capably.

(4) Burma. Should be left to the British to the extent they can and will accept responsibility for it. But military reinforcements will have to be committed to it, at least potentially, when the Tonkin blockade is established. A flank movement through Burma by the Viet Minh would of course re-endanger the entire region.

(5) Thailand. Thailand, never having been a colonial country under Western domination, has less psychological opposition to Western nations than other SEA countries. We should use it to the full as an observation base, a political warfare base, and a tool for reaching neighboring peoples. The country is a veritable rumor mill. Neighbors lend a certain credence to what comes out of Thailand just because it comes from across borders. Thailand is an excellent and relatively unexploited propaganda weapon.

(6) Philippines. As the most evolved of SEA countries, the Philippines have a real potential for effective leadership in the southwest Pacific. We should do all possible to help realize this potential. Filipinos are well disposed to America. They will therefore listen and be ready to serve the common cause. They are likewise Asian in background, and can therefore transmit influence without creating the same opposition whites continually face. A great deal more should be done in making Filipinos and their accomplishments known to other SEA peoples. They could contribute very much in creating the regional consciousness necessary to homogeneity, and therefore security, in this important world sector.

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o. Covert Operations for Southeast Asia.

(1) Covert operations have two potentially strong bases at the extremes of Southeast Asia. They are the Philippine Islands, to the east, and Thailand, to the west. Carefully coordinated programs playing back and forth across the region between these two pro-American bases could contribute a great deal to U.S. objectives in the area, on the obvious condition that they are synchronized and harmonized with over-all U.S. official policy.

(2) Such programs will include for this area the following types of activities, adapted in specific manner to each country, since political, military, economic, and socio-psychological conditions vary so much across the boundaries in question:

(a) Activities involving the internal policies of the host country or of the region in general. These activities would cover the development, through financial aid, of promising leaders and groups capable of strengthening political parties favorable to strong and friendly national entities; the financing of locally printed propaganda ostensibly put out by indigenous propaganda services, both civilian and military; the encouragement to local governments to take firm legal action against Communist individuals and groups active in the country; the defection to our side, through whatever means available, of luke-warm Soviet agents or semi-agents; the infiltration and sabotage of local Communist Party

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groups; the use of "third-nation" individuals (i.e., Orientals foreign to the host country) in order to carry out special missions that white agents would find particularly difficult; the creation of suspicion against Soviet Embassies and Missions in those countries maintaining diplomatic relations with the Soviet, with the idea of restricting the movements of Soviet diplomatic personnel, of declaring their key individuals personae non gratae in the country, and even of breaking off diplomatic relations with the U.S.S.R.; [and the development of splits between overseas Chinese in the various countries and Red elements on the Chinese mainland.]

(b) Activities involving para-military or police forces. Covert programs should give attention to the covert training in neighboring countries of guerrilla and sabotage personnel capable of infiltrating the host country; Indochina would seem to offer special opportunities in this line. The programs should lend assistance in forming local para-military groups and police forces, oriented toward the free world. In certain sections, they should organize ranger battalions against Chinese Communists operating in the free countries, and against the Viet Minh in Thailand. And they should give special attention to building a loyal indigenous organization capable of such operations as smashing Communist presses and destroying local Communist Party headquarters.

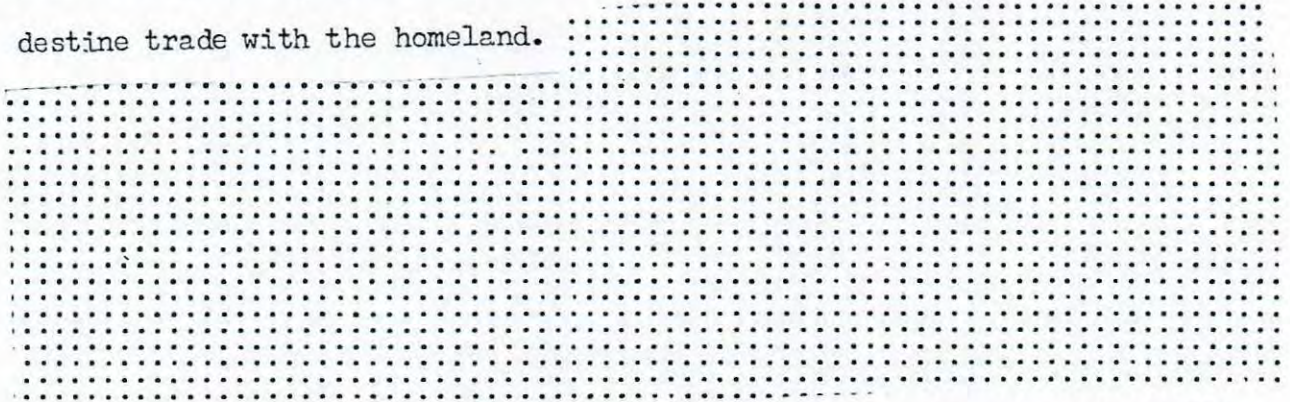
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(c) Activities in economic matters. This region, with its rather loose monetary systems, offers unusual opportunities for the manipulation of currencies, the distribution of counterfeit monies, and the interplay of international exchange. The vast quantities of raw materials, with relatively limited outlets, represent possibilities for price control, preclusive buying, and controlled shipping. In this latter realm, covert operations must contribute all possible to the disruption of trade with Red China and Soviet Russia; determent of British shipping from Malaya should be a major target. Covert economic pressure should likewise be increased against overseas Chinese (especially those in Malaya) who continue to profit by clandestine trade with the homeland.



(d) Activities concerned with the collection of intelligence. The region is a crossroads of clandestine currents. Covert organizations must be formed (where they are now non-existent or inadequate) to collect intelligence on Communist activity, programs, and intentions.

(e) Regional activities. To the extent beneficial to the implementation of U.S. covert operations, cooperation should be established with counterpart British and French covert organizations. By this means, a regional consciousness can be developed without loss of free world solidarity.

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All possible should be done to encourage through native channels the establishment of regional pacts -- one of the few guarantees against future piecemeal defection to the Communists. To this end, covert operations should include the financing of visits of outstanding public leaders, promising young people, and rising military officers to neighboring lands. Once more, the Philippine Islands are the "keystone of anti-Communist defenses and orientation in SEA." Already heavily pro-American, with long and effective training in free world ideology, the Filipinos, because of their Oriental background and their general acceptance throughout the region, represent the best channels for all manner of covert operation. It is therefore essential that these channels be maintained through political developments within the country favorable to U.S. best interests;

In the longer term, the Philippines can serve as a base for planes dropping arms for Nationalist guerrillas on mainland China, as a shipping point for contaminated ammunition and defective machinery intended for the Chinese Reds, as a source for much anti-Communist propaganda appearing in the strongly pro-American local press,

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