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A.C. (0) (50) 31
19TH JULY, 1950

CABINET

OFFICIAL COMMITTEE ON COMMUNISM (OVERSEAS)

THE "COLD WAR" IN THE FAR EAST

Note by the Joint Secretaries

With reference to Minute 2, Conclusion (1) of the 19th Meeting of the Committee, we circulate herewith, for consideration, a memorandum by the Foreign Office on possible action with regard to China.

(Signed) C.A.L. CLIFFE
J.Y. MACKENZIE

Joint Secretaries

Cabinet Office, S.W.1.

19TH JULY, 1950

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THE "COLD WAR" IN THE FAR EAST

Memorandum by the Foreign Office

The purpose of this note is to examine further action in three sectors of the "Cold War":-

(a) The containment of Communism and Communist parties and/or agencies, whether directed from China or from Moscow or from interim centres such as the headquarters of "Front" organisations.

(b) Weakening the Chinese People's Government, i.e. weakening the authority of the Chinese Government inside China as a deterrent to its undertaking adventures outside its frontiers.

(c) Loosening the ties between China and Russia.

It is written of course on the assumption that the Korean hostility can be localised.

2. In considering measures which might contribute towards the containment of Communism or, as a means to that end, the disruption of Communist Parties or organisations, we must be precise in the first place on what it is we are seeking to contain, offset or disrupt. By far the largest part of our effort must, of course, be applied to South East Asia. In Japan, though we may be able to help, the Americans must bear the brunt of the work. The political and technical aspects of work inside China are discussed in the body of the paper.

3. Briefly, the Communist effort in South-East Asia may be divided into militant fighting forces, agencies of agitation, and the forces of propaganda from outside South-East Asia, e.g. Moscow and Peking.

4. The militant forces consist of:-

(a) Viet Minh, i.e. an Indo-Chinese fighting force owing allegiance to Moscow, but accepting presumably substantial moral and perhaps material aid from China, with which it has close connections.

(b) The forces of the Burma Communist Party, (also indigenous and not Chinese), whose allegiance doubtless goes to Moscow, though the exact link with the Kremlin has not been established with precision. Due to local circumstances these forces are reinforced by arrangements with the non-Communist Karens and with the neo-Communist People's Volunteer Organisation (P.V.O.) or factions thereof.

(c) The "Bandit" forces of the Malaya Communist Party, which as a constituted party owes allegiance to Moscow, but due to its Chinese character must clearly feel a close connection with the Chinese Communist Party and the Peking Government, though it is improbable that the Chinese Communist Party can claim control of the party, since this would ipso facto deny the Malayan character of the Malayan Communist Party and expose it as a purely Chinese affair.

(d) Forces of unknown strength and composition - though thought to be predominantly Javanese or Sumatran - in Indonesia: although the Republic seems to have suppressed these forces after Moeso's irruption in 1948, the fact that a single emissary from Moscow could raise a revolt at short notice suggests that we should not write off the potentialities of Communist revolt in Indonesia, however ill-knit and ill-indoctrinated they may appear to be at present.

(e) The Hukbalahaps in the Philippines, of whom Communist propaganda has recently openly claimed Communist direction.

5. The principal agencies of agitation whom we should bear in mind may be listed as the following:-

(a) Elements of the Burma Socialist Party fellow-travellers of violence and ignorance, who suppose themselves to be Marxist and for local political reasons attempt to be more anti-imperialist, (and therefore dangerously near to pro-Kremlin), than even the Burma Communist Party.

(b) The T.U.C. (Burma), which has just declared its intention to affiliate to the World Federation of Trade Unions and in character rather resembles the Burma Socialist Party.

(c) The Communist Party of Siam, which is almost entirely Chinese, does not appear to have received a signal for active revolt or sabotage yet, and is being used simply as an agency of popular agitation and of bringing pressure to bear upon the Government.

(d) The Sobsi (Central Organisation of Indonesian Labour Unions), which is wobbling about and being ardently courted by the World Federation of Trade Unions and by the Peking Government. It appears to have some sound members and a great many unsound ones.

(e) The World Federation of Trade Unions and its agitators and propaganda agencies generally in the whole area. Latest evidence (some of it secret) shows that, although the World Federation of Trade Unions was declared to be virtually a principal agency for the support of the "National Liberation Struggle" in South-East Asia and was to have set up a Liaison Bureau in the Far East to carry out this task, the Liaison Bureau has at any rate until recently not in fact been set up. Nevertheless, the W.F.T.U. propaganda is skilful, unscrupulous, widespread and of a kind to invoke the affiliation of ingenuous oriental Trade Unions or Trade Unions run on the Chinese racketeering system, such as those exposed in the Awbery-Dalley Report on Malaya.

(f) The Overseas Chinese Communities generally, inasmuch as their loyalty to and interest in being protected by a Chinese Government makes them almost automatic agencies of the Peking Government in areas where that Government's influence is predominant.

6. The forces of propaganda from outside South-East Asia may be conveniently listed as:-

(a) Moscow Radio and the Tass Agency, whose effects must be estimated for technical reasons to be not very great in the area.

(b) Peking Radio and the transmissions of the New China News Agency to its customers in South-East Asia as a whole.

(c) The Viet Nam (Viet Minh) News Agency which has a most important effect on e.g. the Burmese Government, and Indonesian leaders, as well as wide circles of Asian publics, and on a small audience in Europe.

(d) Other Communist or Communist-inspired or Communist directed propaganda reaching the area through various means, such as direct mail, news-letter, created news, incidents reported by the news agencies, reports from the Communist press, reflections of Soviet or satellite propaganda manoeuvres in international gatherings such as U.N.O., etc.

7. Ranged against these forces are at present the military efforts of ourselves, the French, and, insofar as they are relevant, the Indonesian Republic and the Burma Government; the long-term economic planning proceeding from the Sydney Conference; a propaganda machine which is described below; security liaison arrangements with the French and to a limited extent with the Siamese; and American aid and co-operation, which is developing in all fields.

8. Detailed consideration of policy and machinery as regards Malaya is omitted from this paper as being the concern of the Malaya Committee, which in the ideological field is at the moment overhauling both policy and machinery.

9. Our propaganda machinery consists of the information elements in our Embassies and Legations, which are fed with anti-Communist guidance and material from the Information Research Department of the Foreign Office and from the Regional Information Office set up in Singapore to serve both Colonial Governments' and foreign Missions' requirements. Associated with this machinery is a parallel one of Top Secret propaganda activities, which are of some considerable effect in Burma and are making a contribution in Siam, but have not developed in either Indo-China, where hitherto relations with the French make such a task too delicate, or in Indonesia. The Regional Information Office has, also, an officer in Hong Kong engaged both in collecting information which may be of value in the propaganda task in South-East Asia as whole, and in the distribution of delicate material which may get back into China or which may spread through the Chinese community. In addition, the B.B.C. short wave transmissions from London are directed to the Far East as a whole: their direct reception is not very effective, but they are relayed at 100 Kw. from Ceylon and at very much lower power from a temporary station in Singapore, which is to be replaced by two 100 Kw. transmitters now being installed in South Johore.

10. The propaganda agencies of the other governments are for anti-Communist purposes inconsiderable in comparison with this. French official information is ipso-facto suspect to the people whom we wish to influence, though it is believed they have retained control over the relatively powerful Radio Saigon medium wave station; Burmese official information is chaotic; the Siamese official and unofficial press has the advantage of being solidly apprehensive of the Chinese community; while the Indonesian propaganda machine is reported to be packed with fellow-travellers, and moreover

was originally developed of course for effect abroad, rather than within the frontiers of the United States of Indonesia. Indirectly, the influence of the Indian press and expressions of Indian opinion are of considerable importance and receive fair distribution through news agency channels.

11. American assistance in this field has hitherto been very small, but there is now to be a considerable development, the elements of which have been discussed at the recent conversations held at the time of the North Atlantic Treaty Organisation Conference in London. American plans are still not definite but they propose to establish a working liaison with our Regional Information Office in Singapore, and to set up a Regional Office of their own either there or in Manila. They have agreed with us regarding the general lines along which their organisations should work. In the field of broadcasting they have already made a proposal for participation in the use of the high power transmitter in Ceylon and in the high power station building in Johore: these proposals are being examined by the B.B.C., Foreign Office and Commonwealth Relations Office, and in addition these three Departments are tackling the problem of negotiating with the Ceylon Government the prolongation of the lease of the high power transmitter there, which was to have ceased when the Johore station came into operation, in order that the B.B.C. relays should be reinforced by three 100 Kw. transmitters instead of two. It is expected that the Johore station will come into operation in April, 1951; the B.B.C. are having difficulty in keeping labour at the site under the disturbed conditions in Malaya, and, while they have directed that all speed should be applied to the work, they do not think they can get the station going earlier. A recent proposal for strengthening the power of the broadcasting station in Hong Kong, which at present is barely sufficient for the needs of the colony and cannot penetrate China at all, to a strength which would enable it to broadcast over an area of South China including Canton, has been turned down by reason of apprehensions on the part of the Colonial Office and the Governor of Hong Kong that such action might upset the present delicate but tolerable relations with the Chinese Government regarding Hong Kong.

12. In considering what more can be done as measures in the "cold war" in the area, the complicating factors must be borne in mind. Briefly, they may be stated as those devolving from our China policy, which has hitherto placed severe restriction on our propaganda either about China or to Chinese; the extreme sensitivity of the Burmese Government and public to any signs of intimate collaboration with the Western Powers; a similar sensitivity on the part of the Indonesian Government, which in the opinion of His Majesty's Ambassador in Djakarta might react against any attempts to push it off the fence by falling off on the wrong side; and the virtual impossibility of any direct action in Indo-China in the face of French susceptibilities. Apart from all this, there is the basic psychological consideration that, in the ideological field, ex parte statements and propaganda by the overt mass media of the Western Powers are suspect by the Asian populations, trained as they are in the tradition of opposition to "imperialism", so that effective anti-Communist propaganda must be organised as coming from Asian sources and on the responsibility of Asian publicists, leaders of opinion, scholars, etc., rather than from Europeans. This does not mean, of course, that positive

projection of our own policies by our overt means cannot be carried out or is ineffectual, but the sharper political material requires a technique which is more difficult, more elaborate and in some respects more costly than the simple application of open information media.

RECOMMENDATIONS

13. In the light of the above situation, however, the following recommendations may be considered:-

(i) In the first place, a great improvement of our intelligence about the whole area, and particularly about conditions in China, the Soviet Far East and Korea, is badly needed. This requires, it may be suggested, not only an improvement in our own intake of secret intelligence, but also an intensification of relations with the American organisations in order to ensure that everything possible collected by them is made available as quickly as possible to our organisation. We are initiating arrangements with them for the extraction of press intelligence both from the Chinese press of China and from the Chinese and other vernacular press of South East Asia. This should be accelerated. It is hoped that a great improvement in our intake of this press intelligence can be effected at modest cost if the Americans will participate.

(ii) There is no organised group of Chinese untainted with the record of the Kuo Min Tang but opposed to the subservience of the Chinese Communist Party and of the Chinese Government to the Kremlin, and opposed also to the reactionary elements of Communist doctrine and practice. We should therefore investigate immediately whether it is not possible to form, maintain and control a small and highly selective group of Chinese intellectuals outside China to propagate a new set of values for China. In its approach such a group would have to show itself to be progressive and not merely as advocating a reversion to outmoded traditional concepts of Confucianism and other Chinese classicism. Subject to two such further clues as "resisting" Chinese may give us, they might most usefully pursue the following basic ideas:-

(1) Progressive support of Agrarian revolution and social reform.

(2) Elimination of totalitarian and bureaucratic or other straight jacket influences.

(3) Freedom of intellectual, cultural and scientific contacts for Chinese with world ideas and developments as opposed to abject subordination of Chinese culture to a single and alien political philosophy. The aim should be a widening out for China's new thoughts and not a narrowing in, i.e. a Police State.

Emphasis on the development, if possible, of any such group should be on ideas rather than on immediate underground work or politics. To sum up the aim should be rather in the direction of a progressive Chinese socialist democracy with a distinct contribution of its own to world culture than on a revival of classical and largely obsolete traditions.

(iii) As an adjunct to this step towards encouraging the propagation of Chinese traditions, in contrast to the application of Marxist and materialist doctrines in China, we should consider whether it would not be possible to cause Centres of Chinese Studies to be formed in the Universities of Hong Kong and Singapore. In this case, we should not make any attempt to use them for subversive purposes, but encourage them to work openly and publicly as centres of Chinese scholarship. We should have to consider whether blackmailing organisations run by the Communists in the Overseas Chinese student body would render any such effort null, and also we should consider whether the charter of these universities allows the institution of such studies. As the first step, we might usefully consult Mr. Gloss, late Vice-Chancellor of Hong Kong University and a considerable Chinese scholar, who is now in this country; and also Mr. Walter Adams (Secretary of the Inter-University Council for Higher Education in the Colonies), who is in the Foreign Office's confidence in matters of "political warfare".

(iv) We should consider whether we cannot publish, under our indirect control, a newspaper in Chinese containing not only general world news, but also factual accounts of conditions in China and in Russia. If this is feasible, we should consider whether, under existing conditions, Chinese-owned retail channels would dare to undertake commercial distribution of this newspaper in South East Asia: if not, the newspaper would have to be distributed by clandestine means, by direct mail, or by our establishing financial control over the retail channels which would handle it. This is likely to be very expensive, and we could not contemplate it without either a considerable expansion of the Secret Vote or bringing in the Americans. The latter course seems preferable, and this is a venture on which it may perhaps be judged that O.P.C. cooperation could readily be obtained.

(v) We should leave for later consideration the distribution of a newspaper, if we can bring it into being, in China, or ways in which its introduction into China could be facilitated (some copies would find their way in without special arrangements, but distribution in China would involve of course not only the transport of the paper in bulk to China, but also the organisation of a network in the country to get the paper to its readers; this latter aspect of the matter is far the more difficult.) A cover organisation or principal agent, who would have to be Chinese, would have to be found to publish this paper.

(vii) Pending the emergence of a genuine and serious Chinese resistance movement inside China, it must be recommended that no steps should be taken to establish it prematurely and artificially, on account of the risk of failure and the subsequent strengthening of the Communist Party of China. Meanwhile, however, special attention should be given to information regarding "banditry" in China to determine to what extent its motives are political and to determine whether and how these groups should be helped.

(vii) Consideration should be given to the recruitment of important agents in Burma, who could, without associating themselves with "imperialism", penetrate Left Wing groups and both check their progress towards Communism and seek

to swing them into nationalist opposition to the threat represented by Kremlin imperialism and by Chinese expansionism in particular. The groups where these agents might be placed should be the T.U.C. (Burma), the Burma Socialist Party and suitable factions of the P.V.O. itself.

(viii) Urgent consideration should be given to similar action in Indonesia. Correspondence with His Majesty's Ambassador gives ground for believing that such covert action might be possible and effective and that it would not have the same objections as diplomatic efforts to convince the Indonesian Government where their interest lies. Our aim might be to place agents in Sobsi and the Indonesian newspaper world, as well as in, say, some of the more Left Wing parties. Our intelligence regarding conditions in the United States of Indonesia as a whole does not allow more specific recommendations e.g. in respect of Sumatra, Celebes, or even Java, at present.

(ix) In the field of labour relations, it has already been decided that the I.C.F.T.U. will send a mission to South-East Asia to represent its point of view in opposition to the propaganda and agitation of W.F.T.U. This is only a mission however, and the present proposals do not include the establishment of a permanent I.C.F.T.U. office in South-East Asia. Consideration might be given to urging the I.C.F.T.U. to set up such an office and include in it a press officer with practical experience. He might possibly be a "volunteer" covertly subsidised by the Foreign Office. This office could usefully be established in Singapore or Djakarta. If our "volunteer" were an Asian citizen of some kind, so much the better. In this general connection, it may be noted that, in addition, a proposal has been made for the appointment of a Labour Adviser to the Commissioner-General: this is now being expedited. It may be hoped that his personal influence in the field of labour may be considerable.

(x) In the field of security measures, an advance might be made by tightening up our policy regarding the granting of transit facilities for the emissaries of Communist "Front" organisations, or of emissaries from these various countries attempting to set up connections with such organisations. For example, last year transit facilities were granted in Hong Kong to a Sobsi delegation from Indonesia proceeding to the W.F.T.U. meeting in Peking. It may be recommended that urgent consideration be given to the formation of a black list of organisations, coupled with an instruction to our colonial authorities to prevent the passage of emissaries of these organisations or of persons going to their meetings. Such organisations are the World Federation of Trade Unions, World Federation of Democratic Youth, Women's International Democratic Federation, "Partisans of Peace", various Writers' Congresses, and spurious cultural organisations for relations with the U.S.S.R.

(xi) As a next step, it may be recommended that we should consider how far we can go in approaches to the Burmese and Siamese Governments to suggest to them that they should similarly take measures to impede the movements of these agitators. There have been recent indications reported

from Rangoon of a hardening of the attitude of the Burmese Government to the W.F.T.U. and towards extremist elements in pro-government parties. The Burmese are ignorant of the character and the real purpose of some of these organisations, and we might gain some advantage by a confidential explanation of what they are up to and which of them might be stopped with advantage to the Burmese Government. In this connection, the Indian Government have taken very resolute action in stopping W.F.T.U. commissions and in impeding the gathering of so-called Cultural Congresses designed to spread Communist political propaganda, and this precedent may be useful. It is probably too early to attempt any such approach to the Indonesian Government.

(xii) At a later stage, consideration might be given to arriving at a Commonwealth policy in this matter, just as it is proposed to move towards arriving at a North Atlantic Treaty Organisation policy in the same connection.

(xiii) It is already proposed to initiate a cautious policy of passing papers for general information to these Asian Governments in South-East Asia, and to include among them papers on, e.g. Ho Chi Minh, Soviet policy in several fields and the implications of Chinese policy, with the object of influencing these Governments and of educating at any rate their top layers. The passing of such papers is already taking place in the case of Western European Governments, and also Commonwealth Governments, and there is reason to believe that some of them have had a not inconsiderable influence on the attitude of Pandit Nehru and the Indian Government.

(xiv) As regards the news agencies referred to in paragraph 6 above, there is very little one can do to impede their operations and to render them less effective. Suppression of their offices, for instance, would raise questions of reciprocity affecting the reporting by Reuters from Iron Curtain countries, and would also raise questions of our acting in the spirit of the declaration at U.N.O. on freedom of information. Nevertheless, prima facie there are probably grounds for the belief that some of the correspondents of these agencies are acting in an improper manner, are engaged in espionage, political agitation or otherwise exceeding their strict functions as news agency representatives. (It is worth noting, for instance, that the Netherlands Government have just expelled the representative of the Viet Nam News Agency in The Hague). British action can, of course only be effective in colonial territories, but the question might be referred to the field whether the operations of the N.C.N.A. and the Viet Nam News Agency might not be examined with a view to impeding them in Singapore and the Federation of Malaya and indeed in British North Borneo, Brunei, and Sarawak, if they are operating there; while a separate investigation might be made into the possibility of framing or denouncing these correspondents in Burma, Indonesia or Siam, or of impeding their operations by Special Operations directed against their equipment, staff, paper, purchases, communications, etc: while measures to effect their recall and impediments to transit facilities for their replacements might also be considered. American cooperation in this matter in the Philippines should also be invited.

(xv) Radio broadcasts from Moscow and Peking offer no parallel antidote. Our general stand in regard to Soviet jamming of our broadcasts would probably render it impossible for us to institute jamming of, e.g. Peking in Malaya, though the Colonial Office might be invited to give consideration to this. It might be argued that the state of emergency in Malaya gave us a locus standi there for jamming which we do not possess elsewhere.

(xvi) With regard to the effort to loosen the ties between China and Russia, an intensification of this depends entirely upon our policy to China. At present the whole of our propaganda line about China and towards Overseas Chinese is concentrated on anti-Soviet propaganda, since we cannot carry out anti-Chinese Government propaganda. This directive is now under examination. If policy allows attacks on the Chinese Government for subservience to Russia, we should be able to make a major expansion of our propaganda as a whole. It would still have to be carried out largely among the Overseas Chinese, particularly in Hong Kong (though here local considerations arise which make propaganda activities a delicate matter), unless we are prepared to face the vast financial and operational load of laying on an organisation in China itself, on a scale commensurate with the huge area and population involved. Our earlier considerations of this matter led us also to a realisation of how difficult it is to recruit Chinese-speaking or Chinese-knowing European agents of the very high calibre required to control the network necessary for propaganda operations in China, and without whom the plan might result in very large wasted expenditure or worse.

But whatever the long term situation may demand it seems most undesirable to make any immediate drastic change in our propaganda policy. The events in Korea and President Truman's declaration on Formosa have undoubtedly brought the Chinese and Russians closer together. On the other hand, the Chinese have not embarked on any new propaganda attacks against us in recent weeks and as our basic aim is to localise the conflict to Korea, we should avoid doing anything which might contribute to its extension. Any immediate change in our propaganda policy in the direction of attacking the Chinese Government for subservience to Russia might, therefore, make the Chinese believe that we had now decided on a complete reversal of our policy towards China, which is not the case, and might even in addition contribute to bringing the Chinese and the Russians closer together.