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OPERATIONS COORDINATING BOARD
Washington 25, D. C.

November 23, 1955

REPORT TO THE NATIONAL SECURITY COUNCIL
PURSUANT TO NSC ACTION 1290-d

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DECLASSIFIED	
Authority	NLE 2009-52 #1
By	HMK
NLDDE Date	7/16/10

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I. THE PROBLEM

1. World Communism usually prefers to expand by means other than direct military aggression, ranging from mild propaganda on up to armed insurrection. NSC 5501 (para. 37) states that it is in the U.S. interest to assist countries vulnerable to communist subversion to develop adequate internal security forces. Many countries threatened with communist subversion have neither the knowledge, training nor means to defend themselves successfully from it. In NSC Action 1290-d, the NSC requested the OCB "to present to the Council a report on the status and adequacy of the current program to develop constabulary forces to maintain internal security and to destroy the effectiveness of the communist apparatus in the free world countries vulnerable to communist subversion." As interpreted and developed by the OCB, the problem involved an assessment of the capability of internal security forces to counter subversion and para-military operations; an examination of the adequacy of U.S. programs to strengthen this capability; consideration of agency responsibility for such U.S. programs, and an examination of any economies which might be effected in existing programs by developing internal security forces. The overall intent was to formulate a concept which would provide guidance in implementing the policy to assist such forces.

2. The validity of NSC Action 1290-d lies in its positive approach to improving internal security forces and this study is directed toward developing ways of accomplishing this objective. Although it became apparent during the course of the study that there are countries, even among those in proximity to the Soviet Union and China, which have armed forces in excess of those required to maintain internal security, adjustments and reductions to U.S. military assistance programs are dependent upon many factors other than internal security. The determination as to whether such adjustments and reductions can be made requires an appraisal of the overall politico-military situation which is beyond the terms of reference of this study.

II. DEVELOPMENT OF THE PROBLEM

3. This study is based on an analysis of eighteen (18) countries which were selected following a review of forty-four (44) countries. The countries studied are:

<u>Far East and SE Asia</u>	<u>Near and Middle East</u>	<u>Western Hemisphere</u>
Burma	Afghanistan	Bolivia
Cambodia	Greece	Brazil
Free Vietnam	Iran	Chile
Indonesia	Iraq	Guatemala
Korea	Pakistan	
Laos	Syria	
Philippines		
Thailand		

4. Upon initiation of the study, it became clear that U.S. assistance to countries threatened by communist subversion was a broader matter than simply constabulary forces and could logically embrace the entire spectrum of human endeavor. For purposes of this project, however, the study was primarily focused on the fields of primary internal security forces, military forces, legislative and juridical procedures and public support for internal security programs. Military forces were examined only on the basis of those which are required for maintaining internal security.

5. In each of the eighteen countries, the nature of the immediate and short-range threats was defined, the existing internal security forces were evaluated in light of the threat, current U.S. programs were inventoried and the political feasibility of U.S. assistance was analyzed. Based on these considerations and in the light of comments received from the country teams, courses of action were recommended in each NSC 1290-d country report for implementation by the responsible U.S. agency, providing cost estimates and timing data.

6. As they were completed, the individual NSC Action 1290-d country reports were submitted to the OCB which noted most reports, deferring final action pending completion of all the country studies and this final report. Deferral of final action on the reports was not intended to delay existing programs, and, in some instances, the OCB agreed to undertake immediately selected new programs.

7. For a more detailed statement of the principles and procedures used in making this study and the specific action taken by the OCB with regard to the initial submission of the country studies, see Annex A.

III. SUMMARY OF COUNTRY STUDIES

A. Synopsis of Individual Country Analyses

8. In the Far East and Southeast Asia area, substantial communist capabilities for political action are currently complemented by indigenous para-military assets in every country examined except Thailand and Korea. Southeast Asia is under greatest and most immediate threat. The fear of Communist China promotes defeatism and the surrender of North Vietnam has aided the communists. Moreover, the loss of any one country would have immediate impact upon the others. Supplementing the negative factor of fear is the positive attraction of a Communist China which has emerged as the leading political and military power of Asia and the self-appointed "champion of the Asian peoples." The security of Free Vietnam and Laos is directly threatened by communist subversion, while Cambodia is insensitive to the threat at its doorstep. Indonesia, politically immature and officially neutral, permits full freedom to a strong and active communist party. While the results of the recent elections are interpreted as indicating widespread popular support for President Magsaysay and his anti-communist and pro-U.S. position, the situation in The Philippines could deteriorate rapidly if events occasioned a public loss of confidence, particularly among the rural population, in the ability of the Magsaysay Government to improve the general situation and to contain the Huk movement. In Thailand internal communist pressures are small and do not seem to justify any further emphasis on expansion of internal security forces. Burma, while cognizant of the dangerous communist threat, allows its fear of Communist China to temper anti-communist security measures. Korea has emerged from the communist invasion and guerrilla operations with a rigid anti-communist attitude and with a vigilant, repressive internal security system which has eliminated all but very limited clandestine communist operations.

9. In the Near and Middle East, of the countries studied, the most vulnerable to the establishment of communist control are Syria and Afghanistan; the latter's long common frontier with the Soviet Union exposes it to Soviet economic and political penetration. In East Pakistan there is a strong threat of communist subversion while in West Pakistan it is less pronounced. The division of the country complicates the internal security problems of the Central Government. Iran, having only recently survived a communist attempt to take over, is still confronted with a potentially serious subversion problem. Iraq, although exercising stringent repressive measures, has a communist subversion problem requiring constant vigilance. Greece, twice having fought off communist attempts to seize the government by force, is now confronted with a resurging communist subversive threat (aggravated by the recent Greek-Turkish difficulties sparked by the Cyprus issue).

10. In the Western Hemisphere, the communist beach-head in Guatemala was eliminated when the communist-controlled government was forced out. Although there is a danger of communist resurgence, the situation is presently under control even though a communist underground

remains. In Bolivia, the economic situation is precarious and U.S. economic assistance is necessary to preserve stability and hence internal security. There is a serious subversive threat, particularly since the para-military assets are available for exploitation by subversive elements. Brazil has the fourth or fifth largest communist party outside the orbit which present an emerging internal security problem to which the Government gives inadequate attention. In Chile a mature communist party possesses political influence disproportionate to its actual strength and stands to gain from the deteriorating economy of the country.

11. In recapitulation the threat of communist subversion to these countries is evaluated as follows:

Critical: Laos, Vietnam.

Dangerous: Afghanistan, Bolivia, Burma, Cambodia, Indonesia, Syria.

Potentially Dangerous: Brazil, Chile, Greece, Iran, Pakistan (East).

Contained But Needs Watching: Guatemala, Iraq, Korea, Pakistan(West), Philippines, Thailand.

B. The Subversive Threat

12. While the degree of threat varies as indicated above, the indigenous communist movements appear at the present stage to be seeking control of the local governments through political action including covert subversive methods. Although this may be their primary course of action, preparations are being made in a number of countries through the simultaneous development of para-military forces to seize control by force should the communists determine that local conditions require this and Soviet policy permits. This is consistent with the thesis that the Soviets intend seeking the objectives of World Communism through subversion during "peaceful co-existence" while simultaneously increasing their capability to use force. In carrying out this strategy communists create and expand exploitable issues. Among those common to many countries are: poverty, illiteracy, minority and racial problems, colonialism, conflicting territorial claims, unbalanced economies, splinterization of political parties, inefficient and corrupt administrations, political immaturity, and the internal security implications of proximity to communist controlled governments. A factor contributing to the internal security problem in many countries, particularly the underdeveloped countries, is the spectacular industrial progress and world-wide prestige of the Soviet Union gained in the last decade/^{which} have deeply impressed such countries and have tended to make certain elements of their population hope that they, too, can achieve similar progress by adopting communism. A new manifestation of the subversive danger is the current immixture of the Soviet Bloc in the Near Eastern affairs, and the current visit of Soviet leaders to India, Burma and Afghanistan.

C. Capabilities of Internal Security Forces

13. It was considered that police activities as they relate to this study typically include primary responsibility for the detection, apprehension and confinement of individual subversives and small groups of subversives and subversive apparatuses, and the suppression of minor civil disturbances including banditry and small-scale guerrilla activities. The internal security role of military forces typically includes, in addition to responsibility for their own counter-intelligence,

the maintenance of internal security by suppressing large-scale riots and demonstrations, by repressing guerrilla activities, and by putting down insurrections. In general, it was concluded that the police mission did not require the development of large and heavily armed units of a military nature and that the mission of the armed forces should not involve police-type activities among the civilian populace. In discussing the adequacy of internal security forces and the question of overlapping and duplication between primary internal security (police-type) and military forces, these definitions were used as guidelines.

Primary Internal Security Forces

14. These forces are, in general, those of a police-type, including regular and special police, gendarmerie and carabinieri, constabulary and investigative types of forces. In a number of instances insufficient technical information was available to determine the adequacy of primary internal security forces to counter the subversive threat. Where necessary it was recommended that police specialists make surveys and specific recommendations regarding U.S. assistance. These countries were: Bolivia, Greece, Guatemala, Indonesia and Iraq. Current surveys were available on Vietnam, Cambodia and Laos and disclosed critical situations in their police-type forces requiring more U.S. assistance on a priority basis. Elsewhere the effectiveness of the police forces varied greatly, although in general the deficiencies were in administration, know-how, equipment, public support and incentives. In particular the investigative services were deficient in modern, scientific techniques and procedures required to recognize and counter covert communist activities. Where existing U.S. programs were not adequate, specific recommendations were made.

15. In the case of Vietnam, Cambodia and Laos, fundamental changes in their entire police structure were recommended. It was found that the Philippines required guidance to improve the effectiveness of its internal security forces, as was the case to a lesser degree in Pakistan, Thailand, Iran and Guatemala. To meet requirements economically and to de-emphasize U.S. participation in police matters, it was recommended that arrangements be made for training between compatible countries such as Vietnam and Philippines, Laos and Thailand, Cambodia and Thailand, and possibly between Bolivia and Chile. U.S. Police Advisers or U.S. Missions are already active in Vietnam, Cambodia, Laos, Indonesia, Iran and Thailand.

16. Examination of police systems in the eighteen countries studied revealed wide differences in concept, organization and effectiveness, although one common factor was the influence of European police systems. Many countries have two or more types of police, i.e., national, provincial and metropolitan police; gendarmerie, carabinieri, civil guards, constabulary, border or frontier troops and a volunteer defense corps. In Vietnam, Iran and the Philippines, the military exercise many police functions particularly in regard to counter subversion while in Thailand elements of the police have taken on certain military characteristics and capabilities.

Military Forces

17. With the exceptions just noted, the distinction between police functions and military functions in relation to internal security is well recognized and observed, with the military exercising only such responsibilities as are military in nature and beyond police capabilities. Except for Bolivia and possibly Afghanistan, in the event of inter-tribal conflict, the armed forces of all countries studied have sufficient men and equipment to perform their internal security role. In Vietnam and Laos the situation has deteriorated to a point where the maintenance of internal security requires forces of approximately the present size. Elsewhere, in Korea, Philippines, Brazil, Chile, Iraq, Iran, Pakistan and Thailand the armed forces exceeds those required for internal security alone.

18. While adequate in numbers, the armed forces of the countries studied have generally not been given training and equipment specially designed for counter-insurrectionary or counter-guerrilla operations. The Philippines, Vietnam, Burma and Greece are exceptions, due to the presence of armed insurrectionists. The absence of a properly integrated relationship between the military and police-type forces, essential for effective coordination in an emergency, was noted in most countries.

Legislation and Juridical Procedures

19. Many countries do not have adequate laws, effective juridical procedures or in some instances the national will to deal with communist elements. Such legislative and judicial weaknesses are apparent particularly in the Philippines, Cambodia, Laos and Syria. How to correct this situation is a matter of concern and a subject for future examination.

Public Support for Internal Security Programs

20. In many of the countries studied, a strong national will to oppose communist subversion is lacking; the governments do not prosecute communism aggressively; and the importance of public support for internal security forces, particularly the police, is not recognized. In virtually all countries public information instruments exist which could be better used to mobilize public opinion in support of the internal security program; however, full public support will be difficult to obtain until basic changes are made both in general conditions and in the attitude of the police toward the people.

21. Efforts must be made in improving police-type forces not only to ensure public support thereof, but also to prevent the creation of powerful organizations which may later be used by politicians against the interests of the people. Otherwise situations could arise where the United States might be associated in the public mind with backing corrupt and authoritarian police systems manipulated by local politicians. If care is taken in the implementation of U.S. police assistance programs, this situation can be minimized.

IV. SIGNIFICANT FACTORS

A. Agency Responsibilities

22. Heretofore, although NSC 5501 outlined a policy of assisting the development of adequate internal security forces of threatened countries, the U.S. has had no coordinated over-all program to accomplish this. It has approached this problem on a piece-meal basis, usually acting after a critical situation had already developed, as in Greece or Indochina. As one result, the coordination of programs undertaken by different agencies has been deficient both in the field and in Washington.

23. The NSC 1290-d project is an effort to provide a coordinated approach to this problem. It envisages "fire prevention."

24. The U.S. Armed Forces have assisted only in the development of certain police-type forces under centralized military control, such as the Iranian Gendarmerie and the Philippines Constabulary. The development of certain foreign armed forces is the responsibility of the Department of Defense. In discharging this responsibility, it recognizes that a reasonable degree of internal security must be assured lest military aid become meaningless. However, the development of forces for other missions has sometimes preceded the identification of forces and equipment required for internal security. The International Cooperation Administration (ICA, formerly FOA) has carried only limited responsibility for assisting civilian-controlled, police-type forces as part of its Technical Cooperation Program to strengthen public administration generally. The responsibilities of the Department of State in this field arise from its control over foreign relations and are not specifically defined. Central Intelligence Agency activities are also conducted and will be reported on separately. Therefore, responsibility for determining the adequacy of police-type forces and for providing U.S. assistance to improve their effectiveness is not yet defined.

25. No U.S. agency has been assigned responsibility for assisting foreign governments to improve their legislation and law enforcement as related to internal security. While recognizing the sensitivities involved, these factors are of such importance in safeguarding a country's internal security as to warrant consideration.

26. The U.S. Information Agency has programs on the dangers of communism and communist subversion. In only a few countries is emphasis given to mobilizing public support for indigenous internal security forces. The importance of public support for internal security forces in any country is exemplified by the FBI, Canadian Royal Mounted Police and Scotland Yard.

B. Economic and Technical Assistance Programs

27. While the terms of reference of this study did not embrace a re-examination of the objectives of U.S. economic and technical assistance programs, the relationship of these activities to internal security is evident. Insofar as economic assistance programs result in a higher degree of economic and political stability, they contribute substantially to the achievement of internal security. In certain situations, U.S. economic assistance programs are a prime ingredient of stability and, hence, internal security.

28. Technical assistance programs, it was noted, contribute to economic development by helping host countries improve technical competence among their institutions and personnel. They do not have the same direct effect on internal security as do economic assistance programs with their immediate impact on the economic environment. However, these technical assistance programs do have an important bearing in the long-run on the general economic social and political environment and hence on internal security. Certain segments of these programs, such as police training in Vietnam, are directly related to internal security forces.

29. In relation to communist subversion, the economic status of a people or a country is of importance to the extent that it presents opportunities for communist exploitation. Special cognizance of economic and technical assistance programs has, therefore, only been taken in situations where: (a) the requirement for economic assistance is of significance to stability and, hence, internal security; and (b) special contributions to the development of internal security forces can be made through either economic or technical assistance programs. In a few countries it is noted that economic assistance projects of a short-range impact nature would contribute to internal security objectives. It is recognized that the responsible U.S. agencies in planning economic aid programs have considered economic and political stability, both of which bear upon internal security. It is felt that both internal security objectives and the development of internal security forces should receive full consideration, along with other objectives, in planning U.S. economic and technical assistance programs.

C. Military Aid Programs

30. The terms of reference did not extend to an examination of military aid programs beyond their relationship to the problem. Accordingly, in instances where it was evident that the current and projected military aid programs exceeded the requirements of military forces for internal security, only the latter were defined. However, it was evident that any policy on the part of the U.S. to attempt to limit aid to the level required for internal security alone would

create problems arising from: (1) impairment of collective regional defense pacts and strategy; (2) misinterpretation of U.S. policy and attitude toward communism which might promote trends toward "neutralism;" and (3) prior commitments conflicting with such a policy. Countries where such problems would arise in varying degrees are: Greece, Iraq, Iran, Pakistan, Korea, Philippines, Cambodia, Vietnam, Laos and Thailand, and Latin American countries benefiting from military aid. Conversely, the maintenance of forces beyond that level which the country concerned is able and willing to support gives rise to economic, among other, difficulties which, unless offset by U.S. aid, may adversely affect internal stability.

31. Although the country studies made under NSC Action 1290-d provide some definition of the military forces required to maintain internal security and, hence, a formula for effecting savings in military aid programs in those countries where the development of internal security forces is the MDAP objective, it should not be inferred that all military forces in excess of this should be reduced or denied further aid. However, with these definitions of military requirements for internal security, the determination of the requirements for forces in excess thereof is simplified. Additionally, a basis is provided for determining types and levels of equipment required for internal security as well as for identifying unrealistic requests.

D. Availability of U.S. Personnel and Facilities

32. The recommended program will require specially qualified personnel for police advisory missions. Although there are a relatively adequate number of police technicians available, there are only a small number of such specialists with the necessary breadth of experience and personal qualifications. Fewer still have a broad background of foreign work, including language facility, or the essential counter-subversive training and experience. To obtain properly qualified personnel will require an expansion of recruiting and training activities and the assignment of responsibility for the conduct thereof.

33. A corollary to providing U.S. personnel to foreign governments to help them improve their police-type forces is to use foreign specialists or to bring selected personnel to the U.S. or third countries for training. Although this procedure has merit, some U.S. facilities for providing desired training are limited and often unsatisfactory. If increased U.S. training of foreign police is to be undertaken, these facilities must be expanded and improved and existing facilities must be opened to foreigners in increased numbers.

V. FINANCIAL IMPLICATIONS

A. General

34. The importance of aid in developing the capabilities of internal security forces of countries vulnerable to communist subversion is better appreciated when it is recognized that these forces may be a primary defense against communist take-over/ ^{by any means} Aid for internal security is insurance for all other programs and is frequently a prerequisite for the fulfillment of other U.S. objectives. Accordingly, recommendations for the provision of U.S. assistance in improving internal security forces were made without attempting in every case to identify and recommend off-setting reductions in other U.S. aid programs.

35. Although the recommended program is generally modest in scope, the availability of funds and the appropriateness of using the various appropriation categories of funds to provide the types of assistance required for internal security forces present certain difficulties for the operating agencies. Apparently, neither Defense nor ICA has complete flexibility in utilizing foreign aid funds to provide assistance to police-type forces. As part of its public administration program, ICA has used Technical Cooperation funds for surveying, training and advisory activities involving civilian-controlled police forces. Defense has made MDA funds available for training and equipping police-type forces where they supported military objectives, i.e. Philippine Constabulary and the Iranian Gendarmerie. The provision of equipment for police-type forces appears to be the major problem among the operating agencies. The possibility of utilizing funds appropriated for other purposes to meet the requirements of an internal security support program requires further study by the executive agencies concerned.

B. Possible Economies

36. As indicated, expenditures for improving internal security forces were not off-set by corresponding or larger reductions in other U.S. aid programs, as most of these programs result from requirements for military forces to deter or repel aggression and hence are beyond the scope of this study. However, establishment of a clearer definition of the meaning of "internal security," and more exact determination of the forces required for this purpose, along the lines of the estimates made in the NSC Action 1290-d country papers, should provide better guidelines for formulating further foreign aid programs and a possible basis for reducing or eliminating costly, heavy combat equipment in countries where the MDAP objective is to aid internal security forces. Any adjustment of current or projected aid programs should await this clarification and the re-examination of bases of justification other than the maintenance of internal security.

37. This does not imply that economies may not result from a clearer distinction of missions and of the forces required to perform those missions. Moreover, even if, because of other considerations, these economies should not be forthcoming, the modest cost of the internal security program is more than justified as insurance. Over a period of time, preventing the development of crises will undoubtedly be far less costly than countering critical situations after they arise. Indochina is a case in point.

C. Summary of Financial Information Developed in Country Papers

38. In preparing the NSC Action 1290-d country papers, efforts were made to identify the amounts of financing required to implement the recommendations involved. In many instances the amounts cited were drawn from financial data developed in the regular programming processes. In other cases they represent only estimates which have not yet been either considered or resolved in the regular programming processes. In either event, it was understood that the over-all purpose of developing the financial information was to present illustratively the general magnitude of financing likely to be required to implement the recommendations; it being recognized that the actual amounts and ultimate sources of financing, particularly with reference to activities not presently programmed, could not be fully determined at this time.

39. Table I (page 13), totalling \$15,235,000, contains a breakdown of the financing required in FY 1956 to implement recommended activities which are not included in present program plans. In most instances these activities are related to internal security forces, including military forces with important internal security roles. The most important factor which would tend to increase the total indicated, apart from the course of world events, is that while amounts are included to cover the costs of internal security force surveys in Bolivia, Greece, Guatemala, Indonesia and Iraq, no amounts are included to finance the possible requirements resulting from these surveys. The primary off-setting factor which would tend to decrease the indicated total is the possibility that for a variety of reasons certain of the recommendations would either not actually be implemented or would be delayed beyond FY 1956.

40. In most instances, the amounts shown in Table I are to carry out recommended activities which are related to internal security forces such as the aforementioned U.S. survey teams; the provision of U.S. advisors, technicians and missions; the training of foreign nationals in the U.S. and third countries; the supplying of various types of equipment; and, in the case of the Philippines, the provision of Direct Forces Support assistance.

41. Table II (page 14), contains a breakdown of the financing required in FY.1956 to implement recommendations which are currently included in program plans. In most instances, these activities are related to internal forces including military forces with important internal security roles. The types of activity involved are similar to those mentioned in conjunction with Table I. Of particular note in Table II (footnote 2) are the MDAP and Direct Forces Support programs for military forces having important internal security roles in Cambodia, Guatemala, Iran, Laos, Free Vietnam and the Philippines.

42. Table III (page 15) contains a breakdown for all countries studied of the types of programs which were most frequently considered in the country analyses. The amounts shown are tentative total program levels which were either approved or tentatively planned as of October 5, 1955. Certain country papers noted a broad relationship between economic assistance programs and internal security; (a) because of their importance to economic and political stability and hence to internal security, as in Bolivia; or (b) because of the budgetary support for military forces with important internal security roles which is derived from these programs, as in Vietnam. In a like manner, certain country papers noted a broad relationship between U.S. information programs and internal security; (a) because of their over-all effect in creating an awareness of the dangers of communism and communist subversion; or (b) their potential as instruments for the development of public support for internal security forces. A column on the Educational Exchange program is also shown on Table III. In several instances, recommendations were made concerning the inclusion of certain categories of foreign nationals in the U.S. under the auspices of this program.

TABLE I

ACTIVITIES NOT PRESENTLY PROGRAMMED - FY 1956
(In thousands of dollars)

The data below indicates the financing required in FY 1956 to implement recommended activities which are not included in present program plans. In most instances, these activities are related to internal security forces including military forces with important internal security roles.

<u>Country</u>	<u>Total</u>	<u>Mutual Security Program</u>		<u>Other Programs</u>
		<u>MDAP</u>	<u>Non-MDAP</u>	
<u>Far East & S.E. Asia</u>				
Burma	1,150	-	1,100	50 (Courtesy tng-
Cambodia	2,600	2,600(1)	-	- military servs)
Free Vietnam	3,000	-	3,000	-
(a)Indonesia	10	-	10	-
Korea	250	-	250	-
Laos	2,000	- (2)	2,000	-
Philippines	2,800	1,300(3)	1,500(4)	-
Thailand	1,125	-	1,075	50 (Information)
<u>Near & Middle East</u>				
Afghanistan	-	-	-	-
(a)Greece	25	-	15	10 (Information)
Iran	100	100	-	-
(a)Iraq	10	-	10	-
Pakistan	200	-	200	-
Syria	-	-	-	-
<u>Western Hemisphere</u>				
(a)Bolivia	1,860	1,250	610	-
Brazil	100	-	100	-
Chile	-	-	-	-
(a)Guatemala	5	-	5	-
Totals	<u>15,235</u>	<u>5,250</u>	<u>9,875</u>	<u>110</u>

- (a) Police survey included in recommendations for this country.
 (1) Does not include \$3,000,000 in equipment to be provided from excess stocks in Vietnam without additional cost to U.S., except for shipping.
 (2) \$300,000 in equipment to be provided from excess stocks in Vietnam without additional cost to U.S., except for shipping.
 (3) Includes \$300,000 of estimated \$500,000 cost of anti-subversive and anti-guerrilla training in country paper recommendation 26.
 (4) Entirely Direct Forces Support.

TABLE II

ACTIVITIES PRESENTLY PROGRAMMED - FY 1956
(In thousands of dollars)

The data below indicates the financing already provided in present FY 1956 program plans to implement recommended activities. In most instances, these activities are related to internal security forces, including military forces with important internal security roles.

<u>Country</u>	<u>Total</u>	<u>Mutual Security Programs</u>		<u>Other Programs</u>
		<u>MDAP</u>	<u>Non-MDAP</u>	
<u>Far East & S.E. Asia</u>				
Burma	-	-	-	-
Cambodia	NA (1)	NA (1)	5,470 (2)	-
Free Veitnam	NA	NA	27,960 (2)	-
Indonesia	2,100	-	2,000	100 (Courtesy tng-
Korea	50	-	50	- military servs.)
Laos	NA	NA	5,650 (2)	-
Philippines	NA	NA	2,210 (2)	-
Thailand	-	-	-	1,416 (3)
<u>Near & Middle East</u>				
Afghanistan	15	-	15	-
Greece	30	-	30	-
Iran	NA	NA	7,297 (2)	-
Iraq	43	-	18	25 (Information)
Pakistan	300	-	-	300 (Information)
Syria	-	-	-	-
<u>Western Hemisphere</u>				
Bolivia	-	-	-	-
Brazil	50	-	50	-
Chile	25	-	25	-
Guatemala	574	500	70	4 (Information)
Totals	NA	NA	50,845	1,845

(1) MDAP data not yet available.

(2) All of DFS program included in this amount. DFS component shown alone on Table III.

(3) Expected cost of total USIA program.

TABLE III

TENTATIVE PROGRAM LEVELS - FY 1956
(In thousands of dollars)

The amounts shown are tentative total program levels which were either approved or tentatively planned as of October 5, 1955. (For relationship of this table to NSC Action 1290-d recommendations see para. 42. Also footnote (a) and (b) below.)

Country	(1) MDAP	Mutual Security Program			Other Programs		
		<u>DIRECT FORCES SUPPORT</u>	<u>DEFENSE SUPPORT</u>	<u>DEVELOPMENT ASSISTANCE</u>	<u>TECHNICAL COOPERATION</u>	<u>INFO. PROGRAM (USIA)</u>	<u>EDUC'L EXCHANGE (STATE)</u>
<u>Far East & S.E. Asia</u>							
Burma	-	-	-	-	-	928	383
Cambodia	NA(1)	5,470	29,500(2)	-	2,000	683	46
Free Vietnam	NA	27,360	163,000(2)	-	3,500	1,806	86
Indonesia	NA	-	-	4,100(3)	7,000	795	278
Korea	NA	171,920	272,000	-	5,000	800	251
Laos	NA	3,650	27,000	-	1,000	372	48
Philippines	NA	2,210	19,000	-	6,300	897	359
Thailand	NA	20,400	29,500	-	4,800	1,416	399
<u>Near & Middle East</u>							
Afghanistan	-	-	-	-	2,000	155	27
Greece	NA	-	26,200	-	1,000	699	484
Iran	NA	7,170	20,000	-	8,000	931	304
Iraq	NA	-	-	-	2,300	473	224
Pakistan	NA	19,100	63,000	-	6,000	1,629	336
Syria	-	-	-	-	-	352	62
<u>Western Hemisphere</u>							
Bolivia	-	-	-	20,000.0	2,409	160	117
Brazil	NA	-	-	-	3,400	1,344	322
Chile	NA	-	-	-	1,998	350	122
Guatemala	-	-	-	15,000.0	1,556	339	170
Totals		<u>247,280</u>	<u>649,200</u>	<u>39,100</u>	<u>58,263</u>	<u>14,129</u>	<u>4,018</u>

- (a) Certain country papers noted a broad relationship between economic assistance programs and internal security: (1) because of their importance to economic and political stability and hence to internal security as in Bolivia or (2) because of the budgetary support for military forces with important internal security roles which is derived from these programs as in Vietnam. (b) Certain country papers noted a broad relationship between US information programs and internal security: (1) because of their overall effect in creating an awareness of the dangers of Communism and Communist subversion, or (2) their potential as instruments for the development of public support for internal security forces.
- (1) MDAP data not yet available. (2) Includes only partial budgetary support for military. Full annual requirement under discussion. (3) Usually identified as "Special Programs".

VI. CONCLUSIONS

43. Although there are piecemeal efforts, there is no coordinated U.S. program to assist countries vulnerable to communist subversion to develop or increase the effectiveness of their internal security forces to counter subversion and no clear assignment of responsibility as between U.S. executive agencies for carrying out such a program.

44. The nature of the subversive threat and internal security requirements can be determined only on a case-by-case basis. In some countries, such as Bolivia where it is not widely realized that there is a serious subversive threat and U.S. military programs are small, a disturbing situation was found. In Thailand, where fears of communist influence have been expressed and U.S. programs are large, it was found that little immediate subversive threat exists, and that previous programs have developed in the existing forces more than adequate capabilities to counter the internal communist threat.

45. With few exceptions the countries vulnerable to communist subversion have internal security forces, police and military, adequate in terms of numbers to deal with the subversive threat provided that the military forces are not engaged against external aggression. What the majority of countries need is technical assistance, training and limited amounts of equipment, particularly training and technical equipment associated with modern counter-subversive techniques and inculcation of Western police principles. They also need advisory assistance in the more economical and effective use of their available internal security funds and forces.

46. In reference to military forces the common statement that "present forces are adequate to maintain internal security" is not meaningful, as it gives no guidance as to how many and what type forces are required for this purpose. Actually the armed forces in most countries exceed the requirements for their internal security role, frequently by a large factor. Moreover, as a general rule their organizational, equipment and training policies are based not upon their internal security function but upon other military roles, real or imagined, and upon political and prestige factors. Even where internal security, as distinct from local defense or collective security, is the stated objective of U.S. military assistance programs, the relation between actual requirements and existing programs is not a precise one. Forces are supported which are excessive in size, and heavy equipment (medium artillery, jet aircraft, and seagoing vessels) in quantities beyond the needs of internal security alone are being supplied. This results from political and prestige considerations and from a tendency to justify such forces in terms of defense against external attack or of collective security, although the rationale in individual cases is vague. A more precise definition of objectives and of requirements might lead to an adjustment of military aid programs in some countries (Iraq, Iran, Pakistan, Thailand, the Philippines and the Latin American countries,

for example) unless the collective security roles of these forces can be given more meaning than they have at present.

47. Police-type forces in the majority of the countries vulnerable to communist subversion lack the technical competence to deal with subversion, particularly in its more advanced forms. Although modern police techniques and police effectiveness are not necessarily synonymous, there is need for selective programs in police training in several countries. In some countries this police training need not extend beyond training a limited number of counter-subversive specialists. In others a broader program embracing police administration and police science will be a necessary complement. In either case, the anticipated costs to the U.S. of such programs are minute in relation to the military and economic assistance programs, and are warranted as a form of insurance for these programs.

48. These comparatively small programs to improve the effectiveness of police-type forces in their counter-subversive role are not a substitute for the present military aid programs. Any reductions in U.S. aid must stem from a more precise definition of objectives and of requirements for forces to maintain internal security as well as forces to deter and delay aggression and forces to participate in collective efforts to defend against it. Realistically, there are few countries vulnerable to communist subversion which could not themselves maintain and support the forces needed for internal security alone.

49. Since in most countries the military forces exceed those required for internal security alone, to generate military capabilities in police-type forces is to duplicate capabilities which already exist. As a general rule the U.S. should not support such duplication of capabilities. Instead it should seek to bring about a properly integrated relationship of police-type forces and military forces in the performance of their respective internal security roles.

50. A major difficulty of making adjustments or reductions in existing aid programs is the political problem. In almost every case political grounds are cited as reasons why changes of this nature cannot now be made. Entirely aside from NSC Action 1290-d, the scaling down of appropriations for foreign aid will in many instances cause a decrease in the present rate of deliveries and prevent spending at a new level. Under these circumstances such difficulties in our relations with these foreign countries will have to be faced and overcome.

51. It is recognized that measures taken to improve the effectiveness of internal security forces, while important, do not necessarily work toward improving the economic, social and political conditions which often times permit or actually foster the development of the internal security problems which these forces are designed to combat. Solution of these broad problems is of a long range nature and the primary responsibility of the countries involved. However, in varying

degrees, measures taken by the U.S. which contribute to economic stability and development, to social betterment and to political stability will, as a consequence, have an effect on the total environment out of which internal security problems arise and thus an effect on the capabilities of internal security forces. In some countries efforts to maintain internal security will be affected by these other U.S. measures and action programs although they have not been the primary focus of attention in this paper.

52. Basically, controlling subversion and maintaining internal security depends largely upon the determination and willingness of the threatened peoples and government to take effective action. It is in the best interests of the U.S., therefore, to foster the development of an understanding of the subversive threat and a "national will" to oppose it. Until the countries concerned have the determination to control subversive elements, and enact and enforce the necessary security measures or laws, any U.S. assistance to internal security forces will largely be wasted.

53. Finally, these conclusions are based upon the current situation. It must be recognized that World Communism under the leadership of the USSR and Communist China has the capability to expand and intensify its subversive activities at will. This would require a step-up in counter-effort on the part of the U.S. and its Allies.

54. It is believed that analyses of the internal security threat beyond the eighteen country analyses already completed would be in the U.S. interest.

VII. RECOMMENDATIONS

55. The Operations Coordinating Board recommends that the National Security Council:

a. Note the report of the Operations Coordinating Board as being responsive to NSC Action 1290-d, dated December 21, 1954, with respect to U.S. assistance to free world countries vulnerable to communist subversion in developing and improving the effectiveness of their internal security forces.

b. Note that the Operations Coordinating Board is currently coordinating a program for 18 countries* of U.S. assistance in developing and improving the effectiveness of their internal security forces. These programs include recommended courses of action.

c. Note the importance of coordinating on a continuing basis the implementation of this program, including the determination of executive agencies' responsibilities with respect thereto.

d. Note that the OCB is initiating analyses of the internal security threat in additional free world countries vulnerable to communist subversion. (Reference: Paragraph 54 and Annex B)

e. Note that the implementation of the report and supporting country studies will require the operating agencies concerned to modify in certain instances the criteria now used for programming foreign aid in order to facilitate the use of foreign aid funds to develop internal security forces. (Reference: Paragraph 35)

f. Note that the implementation of the report will involve the need for the development in foreign assistance programs of precise definitions of the size and nature of the forces required in individual countries to maintain internal security. (Reference: Paragraphs 30, 31, 36, 37, 46 and 48)

g. Note that full consideration will be given by the operating agencies in the planning of foreign assistance programs to effecting such adjustments or economies as may be possible as a result of this program to strengthen internal security forces. (Reference: Paragraphs 30, 31, 46 and 55c).

* 18 Countries Studied:

Afghanistan	Free Vietnam	Korea
Bolivia	Greece	Laos
Brazil	Guatemala	Pakistan
Burma	Indonesia	Philippines
Cambodia	Iran	Syria
Chile	Iraq	Thailand

Attachments: Annex A - DEVELOPMENT OF THE PROBLEM
Annex B - SUMMARY OF INDIVIDUAL COUNTRY REPORTS
Annex C - LIST OF COUNTRY REPORTS

DEVELOPMENT OF THE PROBLEM

1. By NSC Action 1290-d of December 21, 1954, the NSC requested the OCB "to present to the Council a report on the status and adequacy of the current program to develop constabulary forces to maintain internal security and to destroy the effectiveness of the communist apparatus in the free world countries vulnerable to communist subversion." Upon examination it was revealed that while certain U.S. agencies were sponsoring constabulary support programs there was no national program as such nor any overall concept or guidance. Further, it was immediately clear that "U.S. assistance to countries threatened by communist subversion" was a broader matter than simply constabulary forces. An exchange of views resulted in the general acceptance of the statement of the problem in Section I of this report. A Working Group representing State, Defense, ICA(FOA) and CIA, was formed.

2. On March 9, 1955, OCB reviewed a concept formulated by the Working Group and approved it as a basis for proceeding. The concept reaffirmed that the U.S. had a direct interest in preventing further communist encroachment and/or takeover of free countries. This prevention was recognized as important in the early stages of development as well as in instances of advanced or critical situations. Although the subject of counter-subversion embraces the entire spectrum of human endeavor, for purposes of NSC Action 1290-d, it was recommended that specific action be focused on the fields of: police-type forces, judicial and legislative systems, public information media and military forces. U.S. assistance in these fields should be limited to improving existing facilities where practicable. Military forces would be examined only on the basis of those required for maintaining internal security and aided as required in this regard.

3. The Working Group reviewed forty-four (44) countries and selected twenty-two (22) for analysis:

<u>Far East and Southeast Asia</u>	<u>Near and Middle East</u>	<u>Western Hemisphere</u>
Burma	Afghanistan	Bolivia
Cambodia	Greece	Brazil
Free Vietnam	Iran	Chile
Indonesia	Iraq	Costa Rica
Japan	Pakistan	Guatemala
Korea	Syria	Iceland
Laos		Venezuela
Philippines		
Thailand		

Since there was no immediate threat in four countries, it was subsequently agreed to postpone analysis of Japan, Costa Rica, Iceland and Venezuela.

4. The Working Group decided that the nature of the communist subversive threat should be defined in each country and next that this definition should be projected against an analysis of the existing internal security forces and their capabilities to cope with the threat. The resulting evaluation would reveal the adequacy of the internal security forces and/or their deficiencies. Following this, current U.S. programs bearing on internal security would be identified and inventoried. An analysis of political factors bearing on mutual security and the feasibility of U.S. assistance would be made and reviewed in light of the foregoing. Based upon these considerations, conclusions would be drawn and included in recommendations for specific courses of action by responsible U.S. services, providing costs and timing. Thus, a basis would be provided for coordinate programming of U.S. assistance in improving the internal security in countries threatened by communist subversion.

5. To obtain the views of the country teams, an instruction, approved by the OCB was sent to the field on April 29, 1955 requesting replies by June 1, 1955.

6. Pending receipt of the field reports, the Working Group made the following assignments for the preparation of materials already available in Washington: Nature of the Threat--CIA; Description of Internal Security Forces--Defense; Inventory of Current U.S. Programs--FOA; Political Factors Bearing on Internal Security--State.

7. The timing of field reports was predicated upon oral guidance from OCB members to the Working Group. It was thought that any programs requiring special funds or any revision of currently allocated funds would have to be programmed as early as practicable in order to permit budgetary adjustments for the next fiscal year. It was also desired to have a look at the findings of NSC Action 1290-d prior to the Congressional action on Foreign Aid bills for the next Fiscal Year. Reports were to be submitted to NSC upon approval of OCB as rapidly as completed by the Working Group.

8. The Working Group formed sub-regional drafting committees, chaired by State, with State and other members providing area specialists as required. Upon receipt of Country Team reports and Washington level contributions, as requested above, the regional committees prepared the initial drafts on the Country Reports and submitted them for staffing by the respective agencies involved. The results of the staffing were reviewed and reconciled by a committee of deputies of the Working Group and submitted agreed upon reports to the Working Group for review prior to forwarding to OCB.

9. On June 1, 1955, OCB reviewed the first report, Guatemala. It approved the format as a model for future reports. It agreed

that individual country reports should be forwarded to OCB as completed, but that individual reports would not be transmitted to NSC until a final over-all report was prepared. It agreed that this final report for NSC should be a summary-type paper, possibly consisting of a brief section of findings and conclusions for each country, a section on individual country recommendations, and a section containing such over-all conclusions and recommendations as may be developed after all or substantially all of the reports have been completed.

10. On June 22, 1955, OCB noted the NSC Action 1290-d report on Laos, with the understanding that the operating agencies should initiate those courses of action on which there is inter-agency agreement, which are consistent with existing policy, and for which funds are available. It also requested that the final report include a financial analysis of the entire proposed NSC Action 1290-d program, showing projected estimates over a reasonable future period, of the costs of programs for internal security capabilities and also how these projected costs relate to presently approved aid programs and appropriations.

11. On June 29, 1955, OCB noted the reports on Cambodia and the Philippines and agreed to hold the papers for final action until all NSC Action 1290-d reports have been completed. The Board noted Cambodia with the understanding that the operating agencies should initiate those courses of action on which there is interagency agreement, which are consistent with existing policy, and for which funds are available. The Board requested appropriate follow-up and reporting on a continuing basis on the programs made in the implementation of the various NSC Action 1290-d country papers after they have been finally concurred in.

12. On July 6, 1955, the OCB directed a revision of the Syrian report, and approved the Iraq report, specifically requesting that the police survey be undertaken. It agreed to hold the remainder of the report pending completion of all reports. Upon reviewing the minutes of the June 29, 1955 OCB meeting, the Deputy Secretary of Defense noted that the policy implications of the majority of the NSC 1290-d country studies in terms of the MDA program and world-wide defense requirements were such that the entire series and the conclusions to be derived therefrom would require evaluation by the JCS, the Secretary of Defense, and the Department of State prior to their ultimate submission to the NSC for decision. It agreed that deferral of action pending completion of all studies was not intended to delay existing or going programs at approximately their present levels but that new programs or major increases in existing programs should be deferred pending the completion of the series unless specifically excepted by OCB.

13. On July 13, 1955, OCB noted reports on Burma and Syria as revised. The Bolivian report was deferred. It noted status of reports in process and the proposed outline for final report to the NSC. On July 27, 1955, OCB noted and revised the report on Pakistan and action was again deferred on the Bolivian report.

14. On August 24, 1955, the OCB noted the reports on Chile and Greece. The Board noted that USIA would make certain suggestions for revision of the Greece report before it is considered for final action.

15. On August 31, 1955, the OCB noted the report on Brazil and the Chairman's comment that it may require revision after the outcome of the elections are known.

16. On September 14, 1955, the OCB revised and noted the reports on Iran and Thailand.

17. On September 21, 1955, the OCB noted the report on Vietnam and the Chairman's comment that all responsible U.S. agencies should maximize their efforts to improve the police program in Vietnam.

18. On September 28, 1955, the OCB noted the report on Korea. The Board gave preliminary consideration to the overall report and indicated certain revisions to be incorporated therein. Noted that the next working group draft would be made available by the Executive Officer informally to the staff of the NSC for use in connection with the current review of NSC 5501. Agreed report be completed and sent to NSC in early November.

19. On October 19, 1955, the OCB noted the reports on Afghanistan, Bolivia and Indonesia. The OCB requested the working group to reconsider the inclusion of paragraphs 41, 42 and 43 of the Afghanistan report as recommendations and suggested that the problems be discussed elsewhere. The OCB deleted paragraph 38 d in the Bolivia report as being outside the scope of the NSC Action 1290-d objective. The OCB agreed that the recommendations in the country reports and the over-all report be directly related to the objectives stated in the preliminary report approved by the Board on March 9, 1955.

20. On October 26, 1955, the Board agreed to consider the over-all report on November 16 to permit consideration of the views of the Joint Chiefs of Staff which were to be available after November 7, 1955.

21. On November 16, 1955, the Board concurred in the reports on Brazil, Chile, Afghanistan, Burma, Cambodia, Indonesia, Korea and Greece.

SUMMARY OF INDIVIDUAL COUNTRY REPORTS*

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* These informal summaries are illustrative to the NSC of the types of programs currently being developed under OCB coordination as of November 16, 1955. They are, therefore, not intended to replace the country reports themselves.

SUMMARY OF NSC ACTION 1290-d REPORT ON AFGHANISTAN

The primary threat to the internal security of Afghanistan is the risk of Soviet domination through economic penetration. One way to counter the present drift would be to consider economic development projects which would broaden Afghanistan's accessibility to the Free World. There is no known subversive group in Afghanistan at present, and no immediate internal threat to the continued rule of the central government. However, since 1954 Afghanistan has received from the Soviet Union technical aid and favorable barter terms for supplies and capital equipment. The USSR has become Afghanistan's major single supplier of necessary imports. Other potential threats to the stability of the regime are regional jealousies, the resentment of minority elements over their exploitation by the dominant Pathans, rival ambitions within the Pathan group, and the frustration of civil servants who have had enough Western education to enable them to realize the backward state of their country.

A semi-pdlice state, Afghanistan's internal security forces include civil police, secret police, irregular militia, and the Royal Gendarmerie, all of which suffer from poor training and organization and limited material resources. The army and the tiny air force, both of which have internal security responsibilities, are also ill-trained and ill-equipped.

Although political inertia, religious conservatism and traditional suspicion of the Soviets provide a measure of resistance to the threat of eventual subversive activity posed by increasing Soviet economic inroads, the present Prime Minister and some of his cabinet appear insufficiently aware of the danger of closer Soviet ties. The police and gendarmerie are reasonably capable of detecting subversive agents and, with the support of the populace, of suppressing any subversive group identified as communist. The Army is considered to have the ability to suppress subversive groups, but it probably could not be relied upon to suppress any general uprising of the tribes.

There is no MDAP program for Afghanistan, and none is proposed. ICA has programmed \$1.9 million of technical assistance for FY55, \$2.0 million for FY56; none has been used to develop or train Afghan security forces. Eximbank credits since 1950 for basic development total \$39.5 million. Objectives of the USIA program include encouragement of resistance to Communist pressures and subversion.

Afghanistan is nominally a constitutional monarchy. Virtually all powers are in the hands of the royal family, which maintains power by playing off various tribal and other groups against each other. The Afghan Government's firm policy of seeking an autonomous Pushtunistan in northwestern Pakistan clouds her relations with the latter country, which constitutes Afghanistan's gateway to the free world. Satisfactory Afghan-Pakistan relations are important in preventing increasing Afghan reliance on the USSR. The Afghans have repeatedly sought military assistance from the US and declared their willingness to align themselves with the West at such time as differences with Pakistan are settled. In this unlikely event, however, Afghanistan would probably prove a hard bargainer. To date, Afghanistan has been neutral in East-West differences.

It is recommended that the US continue efforts to educate Afghans to the dangers of communism. To this end our technical assistance in the field of education should be expanded. The Turks should be encouraged if necessary to continue their small military mission in Afghanistan. Training opportunities might also be extended to as many as three Afghan security officials per year and to a small number of Afghan military officers.

SUMMARY OF NSC ACTION 1290-d REPORT ON BOLIVIA

The most serious threat to internal security in Bolivia lies in the possibility that a coalition of extreme leftist forces, including Communists, might take control of the Government, now in the hands of moderate leftists. The present regime, despite its shortcomings, offers the best hopes for stability and friendliness towards the U.S. Any alternative probably would lead to Communist domination.

The governing party, the MNR (National Revolutionary Movement), as a whole lacks a true understanding of the subversive nature of Communism. Marxist economic theories are widespread in educational and labor circles and many Communists, fellow-travelers, and allegedly reformed Communists are in the Government. The Communist Party of Bolivia (PCB) and the Trotskyite Workers Revolutionary Party (POR), each with some 2,000 members and both illegal, seek to capitalize on widespread poverty, prevailing political immaturity, low morale and disorganization of the armed services and a potentially dangerous armed workers' militia.

Communists advocate a broad Front of National Liberation, appealing to the strong nationalistic tendencies of most Bolivians and exploiting latent anti-imperialism and anti-U.S. sentiments. In the event of disastrous economic collapse or a rightist coup, such a front might well emerge and take control under extreme left-wing leadership.

Bolivian internal security forces consist of the carabineros, the uniformed element of the national police armed mainly with obsolescent European small arms, and a relatively efficient national security police organization of plain-clothes men.

The Army, starved for funds, low in morale, lacking in discipline, poorly trained and suffering from internal political dissension, does not have the Government's confidence. The small Air Force, with poor discipline and inadequate equipment, could contribute little more than a psychological impact in the event of insurrection. An untrained and undisciplined workers' militia is believed to have armed up to 14,000 of its members. Highly vulnerable to Communist subversion, it is the key to internal security in Bolivia as it is doubtful that the Army and police could successfully put down a militia-supported attempt to install a regime of extreme leftist tendencies. The Army, police and militia together are capable of suppressing any pro-Communist use of force provided they act in concert. However, internecine warfare between elements of the security forces in a crisis is a possibility.

It is recommended that a flexible economic assistance program be continued as essential to Bolivian internal stability. It is also recommended that (1) the USIS program be intensified, (2) efforts to collect intelligence identifying Communists and Communist activities be intensified and the resulting data used to eliminate or insulate Communists and pro-Communists from positions of influence, (3) a survey be conducted under U.S. sponsorship of the Bolivian internal security forces, (4) U.S. training of Bolivian military personnel be continued with emphasis on counter-intelligence, riot control and anti-guerrilla operations, (5) consideration be given to providing engineering equipment and a limited quantity of individual weapons in order to restore the prestige of the armed forces as an internal security force, and (6) a program be developed to neutralize or minimize the dangerous features of the workers' militia.

SUMMARY OF NSC ACTION 1290-d REPORT ON BRAZIL

The Communist Party of Brazil is not now capable of seizing power by force. The danger is that political power may fall to persons who would tolerate expansion of Communist influence. Many Government officials have an inadequate comprehension of the nature and extent of the Communist menace, and the Government is tolerant of Communist activities including large-scale propaganda operations.

In this atmosphere, the Communist Party of Brazil has flourished, doubling its membership in the past two years and becoming the largest and wealthiest Communist Party in Latin America. It has infiltrated the Federal and local governments at all levels as well as mass labor organizations and information media. The Party program, a model for other Latin American parties, aims at the ultimate overthrow of the present Government, with immediate objectives the stimulation and exploitation of popular discontent and anti-U.S. nationalism through alliances with other groups. The Party advocates armed struggle and has publicly served notice of its intention to form armed detachments in the event of a "reactionary" coup.

Primary internal security forces consist of the separate civil police forces of the Federal District and the 20 states and the similarly separated 21 militarized police forces. There is no Federal intelligence agency capable of dealing with Communism on a national level. The National Security Council (NSC), which has a section to collect intelligence, has been considering establishing a national intelligence agency to combat Communism. All police organizations are seriously lacking in motor transport and communications equipment and are generally inadequate in numbers, training and efficiency. The militarized police are capable, however, of dealing with any disturbance by Communists alone.

The Army is basically an internal security conscript force with a predominantly anti-Communist officer corps. It is well equipped with small arms and light automatic weapons and is fully capable of dealing with any problem of armed subversion which might arise in the foreseeable future. The Navy and Air Force could contribute to the maintenance of internal security if required, especially in providing transport capacity to move troops.

In summary, if under conditions of unrest and disturbance the Communists allied themselves with other dissident groups, they could cause trouble. But if the majority of the armed forces and the police remained loyal, they could put down even a major revolution.

The advance of Communism in Brazil is due chiefly to international Communism itself. Thus the most effective countermeasures are those which attack Communism directly. There exists, however, little disposition in the present Government to adopt such measures and forecasts for the October elections hold out little hope for the election of an energetic anti-Communist Chief Executive. In present circumstances, there is little prospect that Brazil would accept U.S. assistance for carrying out a thorough campaign against the Communists.

The basic recommendations* are that a vigorous anti-Communist informational campaign be pursued by the U.S. and that discreet and informal encouragement be given anti-Communist sentiment in the armed forces. The desirability of continuing U.S. efforts to assist Brazil in maintaining political and economic stability was noted. More specific recommendations call for: U.S. assistance in establishing a National Police Academy, U.S. training for police officers, visits to the U.S. by high-ranking police officials, and U.S. assistance for an NSC National Intelligence Agency.

* The consequences of the recent elections are not sufficiently clear as of November 10, 1955 to warrant changes in these recommendations.

SUMMARY OF NSC ACTION 1290-d REPORT ON BURMA

While Burma may be considered relatively stable at this time, there exist potential threats to Burma's internal security which are numerous and serious in nature. Two underground Communist parties, remnants of a World War II resistance army, and elements of dissident minority groups still are in armed revolt against the Government. In addition there are about 3,000 Chinese Nationalist guerrillas remaining on Burma's soil. Although the Burmese armed forces have made significant headway in subduing these rebellious elements, their elimination is far from complete.

Burma's 1,000 mile border with Communist China is not only relatively un-demarcated but is totally unprotected. Communist cross-border subversion is a real threat to Burma's loosely controlled border areas. Growing pro-Communist sentiment among Burma's 300,000 Chinese also presents a potential fifth column and assets for Communist subversive programs. The Burma Workers' and Peasants' Party (BWPP) is the above-ground Burmese Communist party and faithfully attempts to carry out international Communist objectives.

Facing these problems is a coalition government called the Anti-Fascist Peoples Freedom League, which is dominated by the Socialist Party. This Government has been actively suppressing Communist pressures internally, but in dealing with Communist China, Burma's only potential foreign enemy, the Government has been anxious to promote friendly relations. Burma's foreign policy is avowedly neutralist and precludes close active cooperation with the U.S. which in any way might be misinterpreted by her Chinese neighbors.

Burma's anti-subversive and anti-insurrectionary capabilities could be greatly improved by advice, instruction and special equipment. The U.S. conducts no assistance projects in Burma at this time, and a formal MDA type of aid program would be unacceptable to Burma. It is therefore recommended that a cautious limited program be implemented to include the following:

(a) Using ostensibly commercial channels and civilian contract personnel, initiate a selective program designed to assist in improving Sino-Burmese border patrol and counter-subversive capability by providing training, and transportation and communications equipment.

(b) Screen and license for export arms and communications equipment Burma may wish to purchase for the army and police and supply available arms desired pursuant to the reimbursable military aid agreement; stimulate requests for police training in the U.S.

(c) Expand courtesy training for Burma Army officers.

(d) Expand the Educational Exchange Program to provide for travel and training of additional Burmese in U.S.

SUMMARY OF NSC ACTION 1290-d REPORT ON CAMBODIA

Cambodia's borders and coast line are largely unprotected against infiltration and attack and, therefore, the fall of South Viet-Nam to the Communists would pose a most serious potential threat to Cambodia security. In case of serious internal trouble the Army would not now be able to maintain internal security and would not be able to guard the coast line and frontiers against serious efforts toward infiltration, much less external aggression.

Within Cambodia the continued presence of unknown members of Viet Minh guerrillas poses a threat to stability. In addition to a small Communist Party, Communist influence is evident in the Democratic Party, particularly among Cambodian students newly returned from Paris who have been imbued with Communist ideology and apparently trained in organizational techniques. Bandit groups now operating in Cambodia are potential attractions for frustrated opposition leaders and for Communist exploitation. Most of the bandit groups have rallied to the Government, but the continuing loyalty of some of the groups is doubtful; and if their desires are not met, they might again become bandits.

In addition to the Army, responsibility for internal security is shared by the national police, the municipal police, and the provincial guard. However, these internal security forces are incapable of maintaining public safety or of combating Communist infiltration or subversion. In addition, the Cambodian Government does not fully recognize the nature and extent of the Communist threat, both internal and external.

Because of this lack of awareness of the Communist threat and because of neutralist tendencies, the Cambodian Government is disinclined to enter into collective security arrangements and is even suspicious of non-Communist neighboring countries. Although recognizing the need for our dollar aid, the Cambodian Government is most reluctant to accept our advice or the controls we consider necessary in order to make the aid available.

Under these conditions, progress in implementing recommendations designed to correct the obvious deficiencies in Cambodia's security system will be exceedingly slow and the best we can hope for is piecemeal implementation of these badly needed reforms. However, to make maximum progress, the following have been recommended: (1) A program for strengthening the internal security forces, including training and the provision of materiel and equipment; (2) provision of materiel, equipment, and budgetary support for the Cambodian Army, and if requested by the Cambodians, assume some responsibility for assisting in the training of the Cambodian Army; and (3) development of an information program acceptable to Cambodian sensitivities but which will help increase Cambodian awareness of the Communist threat and encourage Cambodian willingness and capability to meet that threat.

SUMMARY OF NSC ACTION 1290-d REPORT ON CHILE

Political and economic conditions in Chile, aggravated by unchecked inflation, today give the Communists, their left wing allies, and irresponsible demagogues of all political colors an opportunity to fish in troubled waters. The Government of General Ibanez, elected in 1952, has not only been unable to cope with Chile's economic difficulties, but has also lost a substantial segment of its organized political backing.

Chilean public opinion has been largely apathetic towards Communism and has looked with askance upon any repression of political liberties, even though the Communists may exploit these for their own advantage. The Ibanez Government, on the other hand, has shown an increasing awareness of the threat to internal security and stability posed by Communist activities and has taken action under the Law for the Permanent Defense of Democracy of 1948 to remove and isolate some Communist agitators. The Government has further discouraged the use of Chile for international Communist meetings and has recently passed a decree intended to prevent the election of Communists as officials of Chilean trade unions.

The Communist party of Chile, with a strength of between 30,000 to 35,000 members, is well organized and maintains strong ties with the international Communist movement. It has wide influence in labor and intellectual circles.

Chilean internal security forces consist of the Directorate General of Investigation, an FBI-type organization within the Ministry of Interior, and the Carabinero Corps of 21,000 men also under the Ministry of Interior. The Carabineros of Chile is a well organized force capable of maintaining order and suppressing riots and internal disturbance.

The Chilean armed forces (Army, Navy and Air Force) have a combined strength of 51,300 officers and men and could effectively support the Carabineros in controlling riots and suppressing insurrection. These forces are regarded as free from Communist taint.

To strengthen the internal security forces of Chile, it is recommended that high priority be given to the following measures: (1) That the heads of the internal security organizations of Chile (investigaciones and Carabineros) be invited to the United States to acquaint themselves with U.S. internal security procedures; (2) that the Chilean Directorate General of Investigations exchange information with the internal security organizations of the other American Republics pursuant to the Caracas Resolution; (3) that the contra-sabotage program for the protection of strategic industrial installations in Chile be reviewed and strengthened.

SUMMARY OF NSC ACTION 1290-d REPORT ON FREE VIETNAM

The basic threat to the security of Free Vietnam is the strong Communist "Democratic Republic of Vietnam (DRV)" north of the 17th Parallel. Led by highly capable organizers experienced in Communist clandestine and open political warfare (as many as 10,000 of whom operate south of the demarcation line), and with a present army of 250,000 regulars, the DRV seeks to unify Vietnam under Communist control.

Other major threats to Free Vietnam's internal security are the sects, though the Binh Xuyen and the Hoa Hao have been reduced to nuisance scale, and the Revolutionary Committee.

Prime Minister Diem's Government is faced essentially with a twofold menace to internal security: (1) Satisfaction of the demands of extreme anti-Communist nationalists would forfeit French support for the National Army, whereas failure to do so might cost Diem a large measure of popular support; and (2) refusal to consult with the Viet Minh on elections might cause the Communists to exercise their capability for both covert and overt operations designed to subjugate Free Vietnam, whereas proceeding with elections would probably result in a Communist victory at the polls, since there appears to be no method of guaranteeing that such elections would be held under genuinely free conditions in the North.

None of the police organizations is presently capable of performing its internal security mission. Until such time as loyal, efficient national and local police forces can be constituted, principal reliance must be placed on the Vietnamese National Army (152,000, including sects awaiting integration) to maintain internal security. The French garrison is to be reduced to 30,000 in November, to 20,000 in December, and it may level off at 10,000 or be phased out entirely.

While the Government of Free Vietnam has been successful in surviving the threats to its stability posed by the non-Communist sects, its resources in terms of security forces and civil control throughout the provinces are inadequate to meet the more serious potential threat of Communist subversion. Vietnamese forces could not at this time suppress major Viet Minh guerrilla activity, and their ability to eliminate shadow Viet Minh control existing in certain villages is limited.

In order to counter these threats to the internal security of Free Vietnam, the paper recommends that the United States do all in its power to develop Free Vietnam's countersubversive, counter-guerrilla, and military defensive capabilities. Specific proposals include (1) expansion of the current police training program, emphasizing countersubversion; (2) postpone the previously planned reduction of the one-time 170,000 Vietnamese National Army, phasing it down to 150,000 by June 30, 1956; and (3) continuation of United States training of the VNA appropriate to its internal security role.

SUMMARY OF NSC ACTION 1290-d REPORT ON GREECE

The principal security threat to Greece is the outlawed Greek Communist Party (KKE) with about 30,000 members in Greece and about 22,500 abroad. The Party also has about 200,000 sympathizers, as evidenced by recent elections in which 10% of the vote has been pro-Communist. Since the end of the Communist Guerrilla Wars in 1949 the KKE has steadily lost influence, but still presents a considerable security threat in current subversive and intelligence activities and in its potential for sabotage and guerrilla warfare under certain conditions. A second threat is the repatriation from the Soviet bloc of Greeks who either fled or were abducted during the Guerrilla Wars. So far about 3,500 of an estimated 65,000 have been repatriated. Many of these compare life in the poor mountain villages of Northern Greece unfavorably with city life in the Communist countries. Moreover, despite careful screening there are undoubtedly a number of agents in this group.

The EDA Communist front political party works to undermine confidence in the right wing Rally Government, to exploit the economic sacrifices resulting from participation in NATO and the alleged advantages of closer ties with the Soviet bloc. Although the EDA has made small headway, the serious illness of the Prime Minister* and increasing disunity within the Rally may lead to a coalition government with considerable EDA participation. Although the EDA appears to be following a short range policy of achieving its objectives politically, it might resort to armed action if, as a result of its increased political power, the secret military organization IDEA should attempt a coup. In this event the Communists could probably put up enough of a fight to require Greek Army action.

The Greek internal security forces consist of the Central Intelligence Service (700) responsible to the Prime Minister, the Directorate of Aliens (1,100), and the security sections of the City Police and the Gendarmerie (3,000). The Central Intelligence Service guides and coordinates the activities of the other security services, which in some cases overlap. By Western European standards their efficiency and operating techniques are fairly good. Efficiency is reduced by political interference, inter-service rivalry, and limited budgets. The Battalions of Home Defense (TEA) are loosely organized civilian home guards (85,000). The Army (105,000) is loyal, intensely patriotic, and experienced in guerrilla warfare. The Navy (11,000) is adequate for coastal patrol but is not capable of modern naval warfare. The Air Force (14,500) is a small but effective close air support arm.

The Greek Government would probably be willing to accept technical assistance if not given at the expense of aid to the armed forces. The Greeks are proud of their record in anti-subversion and prepared to meet their NATO commitments, which they could not do with reduced American aid. Moreover, such a reduction would have serious adverse effects on NATO plans for Southeast Europe.

It is recommended that (1) A small American police mission be sent to survey Greek security forces and make recommendations to improve counter-subversive activities, technical equipment and facilities, and that selected officials be invited to the United States for training; (2) That the condition of the repatriates be followed closely and efforts be made to assist in their satisfactory settlement; (3) That the United States assign advisers to train Government officials in the fields of press and education in anti-Communist methods, and that a program of publishing anti-Communist propaganda in Greek be undertaken.

* Since preparation of the country paper, Marshall Papagos has died. A Rally Government of a caretaker nature is in office until elections in the Spring of 1956.

SUMMARY OF NSC ACTION 1290-d REPORT ON GUATEMALA

The pro-Communist forces in Guatemala are not now capable of seizing power, of causing substantial disruption or of taking effective paramilitary operations. However, they are capable of espionage activities on behalf of the Soviet Union. After the June 1954 revolt the Party went underground and while some prominent leaders fled the country, others are unaccounted for and presumably are directing the reorganization of subversive activities.

A continuance of existing political instability and economic stagnation is likely to permit a coalescence of civilian and military elements not committed to the anti-Communist cause and capable of overthrowing the Castillo regime. If successful in seizing power, such a group might well open the door for the return of the pro-Communist exiles and permit a resumption of their activities. Such a development would be a disastrous blow to United States prestige.

The principal immediate threat to the regime of President Castillo Armas continues to come from the possibility of defection on the part of Army personnel, still divided by the unhealed breach between "liberation" officers and the regular officers who served under Arbenz, thereby creating a situation which could be exploited by the Communists. While there is no evidence of Communist infiltration it is to be recalled that the narrowly nationalistic regular Army took no effective steps to check the growth of Communist influence in the Arbenz government.

Principal agencies concerned with suppression of subversion are the National Police, the Committee for National Defense Against Communism, and the military intelligence section of the Army. The National Police is seriously deficient in organization, training, staffing, and equipment. Its investigative capabilities are poor, but it probably can maintain order in the face of minor disturbances. The use of Army forces would be necessary in case of serious disorders. The Committee for National Defense Against Communism, an executive agency responsible directly to President Castillo, has not proven highly effective in uprooting the clandestine Communist organization. The military intelligence section of the Army is believed to have slight capabilities for controlling activities of Communists. The loyalty to the President of the Army as a whole in the event of a crisis is problematical, as noted above.

In addition to executing United States policies designed directly to reduce political instability and improve economic conditions, the United States should recommend that a survey be made by private consultants under ICA contract to determine precise requirements for improving effectiveness of the Guatemalan internal security forces; it should extend additional assistance to carry out recommendations resulting from the survey to the extent considered desirable and feasible and to expand the 1955 program for training police officers in the United States; it should supply Guatemalan authorities with information on Communist and other subversive activities; it should assist in improving Guatemala's Armed Forces qualitatively.

SUMMARY OF NSC ACTION 1290-d REPORT ON INDONESIA

There is a security threat in Indonesia principally consisting of:
1) a legal Communist Party having between 125,000 and 170,000 trained disciplined members and front organizations possibly totalling 1.5 million members; 2) scattered but long-standing dissident activity based on regionalism, fanatic theocracy, and separatism; 3) characteristics of the economic and social structure which make the people amenable to anti-Western and anti-capitalist pressures; and 4) the potentially explosive West New Guinea issue.

The Communists despite defeat in 1948 when they attempted to wrest national leadership from Republican forces during the struggle against the Dutch for independence, were able to exploit united front tactics during the two-year regime under Prime Minister Ali. They entered the current election in the guise of a bona fide indigenous political force and in either the short or long run, have the potential capability of exploiting nationalist sentiment, basic economic conditions, low income levels, poor housing, foreign domination of business and other usual Communist targets.

Pending the outcome of the first national elections when the relative strength of political forces will have been established by democratic processes, the present Government, in an interim capacity, has moved definitively to improve economic conditions, to improve relations with Western nations, and toward strengthening forces opposed to Communism.*

Indonesian security forces, grouped together in the National Police, consist of the municipal police, the Marine Police (Coast Guard), the Mobile Brigade (a constabulary force), and the State Security Service. An investigative unit is also attached to the Attorney General's office. The police organization is in general well lead, and by Southeast Asian standards, well trained. Experience with the Communist uprising at Madiun in 1948 has made it alert to the possibilities of another Communist attempt to seize power, and the Communist movement is kept under close surveillance. The "law-abiding" and "united front" tactics of the Communists, however, combined with the attitude of the previous Indonesian Government, has prevented any direct repressive measures. The army, because its primary task is the restoration of internal security, is a significant factor in any analysis of anti-subversive forces in Indonesia. The army played the major role in stamping out the Madiun rebellion, and its top leadership is predominantly anti-Communist.

Determination of U.S. activities to strengthen anti-subversive elements in Indonesia must await the outcome of the Indonesian elections. In the meantime, the programs of assistance to the Indonesian police and training of Indonesian armed services officers in the United States at no cost to the United States should be continued. Present plans call for continuation of the regular police administration project and the special communications and transport equipment program.

* The results of this election and its consequences are not sufficiently clear at this time (11/9/55) to warrant a revision of this estimate.

~~TOP SECRET~~

SUMMARY OF NSC ACTION 1290-d ON IRAN

The basic internal security threat in Iran is national frustration which results from social and economic inequities, official corruption and lack of leadership. The Communists (Tudeh Party) have exploited this situation in the past and might do so again. The Party's structure was disrupted by the repressive campaign of 1953. Although now incapable of seizing power, the Party could rebuild itself rapidly if the security program is relaxed or if ineffective Government causes further disunity.

The nationalists are better able to provoke a crisis than the Tudeh. Using a central issue (such as oil), a nationalist leader might unite the various factions. If the Tudeh combined with resurgent nationalism, an extremely dangerous situation would arise. Xenophobic religious elements constitute another potential threat.

The Army, numbering 125,000, has the major responsibility for internal security and counter-subversive activities. The Police and Gendarmerie have extremely limited resources. The security forces are hampered by ineffective organization and coordination, corruption, and lack of trained personnel. The forces could suppress uprisings by the elements mentioned above, given effective Shah-Army cooperation. Because of the special political relationship between the Shah and the Army, neither would favor a reduction of the Army's internal security functions.

In addition to general economic and technical assistance, the U.S. has provided three police advisors on normal police functions. The armed forces have been assisted with end items and defense support to build them to their present level. Information programs are attempting to build up the prestige of the Shah and the Army.

The Government is pro-Western and anti-Communist, but because of internal rivalries is experiencing difficulty in executing a consistent program. The key role is played by the Shah, who wants greatly increased military aid to enable his forces to play an effective part in a regional defense organization.

Since insecurity stems from underlying national conditions, Iran should be urged to move ahead on reform and development, seek a modus-vivendi with constructive nationalist elements, exert control over xenophobic religious elements and intensify anti-subversive measures in the Ministries of Justice and Education.

The U.S. should urge and assist Iran to establish a coordinating unit, based on the Army G-2, responsible to the Shah and designed to coordinate the activities of the various counter-subversive services.

SUMMARY OF NSC ACTION 1290-d REPORT ON IRAQ

The Communist Party in Iraq has been outlawed since 1927; in 1954 two front organizations were similarly banned. Diplomatic relations with the USSR were suspended in January 1955. Despite these severe measures the Communist Party, with an estimated strength of 2,000 in a population of 5,000,000 carries on successfully an underground activity designed to exert influence on left-wing groupings, to infiltrate the government and the Army and to keep open its channels of communications. A disproportionate number of Party members are recruited from the Kurdish minority (about 800,000) in the north.

The Communist Party does not, however, under present restrictive measures, jeopardize the present political organization of the country. Police forces and national military forces seem capable of containing and meeting any threat to internal security.

The Iraqi Police, organized by the British along colonial police lines, with British advisers and equipment, is by area standards fair. It suffers from poor pay and public apathy. The most effective branch is the Criminal Investigation Division (CID) which appears to have penetrated the Communist Party. Police forces are capable of discovering and countering significant subversive activity, but military intervention might be required to meet simultaneous demonstrations in any one city.

Top leadership and the state of individual and small unit training in the Army is good. The Army is loyal to the Crown and satisfactorily equipped for internal security problems.

The United States has contributed technical assistance to Iraq's large-scale national development program. Emphasis on the program has been on long range plans, rather than on short-term impact projects which might make a more immediate contribution to internal security objectives.

U. S. military assistance to Iraq is designed to equip two combat divisions. The technical and military assistance programs are supplemented by informational and educational exchange activities which seek to explain U. S. policies and encourage support by significant political leaders.

Recognizing that responsible political opinion in Iraq is alive to the communist menace, that Iraq's depressed economic conditions can be exploited by the communists, and that its internal security forces require strengthening, it is proposed that (1) the U. S. seek increased opportunities to ensure Iraqi awareness of the Communist threat; (2) the Iraqi police force be strengthened; (3) U. S. assistance be offered in the field of penal reform; (4) the U. S. consider more emphasis on short-range impact projects in programming technical assistance economic programs; and (5) priority in the military assistance program be given to those units appropriate to the internal security function of the armed forces.

SUMMARY OF NSC ACTION 1290-d REPORT ON KOREA

Communist subversion in the ROK is a potential threat rather than an immediate danger. There are no known organized subversive forces or activities. The ROK Government and its people are strongly anti-Communist. Non-Communist opposition to the ROK administration is weak in number and its capabilities are limited by internal disunity and the strict watchfulness of the Government.

However, there are limited potential Communist subversive assets in the ROK, including remnants of the former Communist underground and Communist sympathizers who survived the Korean war in the ROK: relatives and associates of Leftist intellectuals who fled north during the war; refugees from north Korea now in south Korea who are potentially exploitable because of their friends and relatives in north Korea; and POWs released by the ROK in south Korea. In addition, there is some dissatisfaction with the authoritarian ROK Government and with the economic situation.

In a situation of political chaos which might result from President Rhee's death, or should there be a serious deterioration in the economic situation, the Communists might be able to exploit these limited potential assets. Even in these circumstances, however, Communist exploitation could not immediately create a serious internal threat and some time would be required for the Communists to build up their strength and influence.

ROK internal security forces consist of the National Police, the Army Counter Intelligence Corps, the Joint Provost Marshal Command, the Kyungmudae Police (President Rhee's private police and investigative force) and an intelligence section in the Ministry of Foreign Affairs. In addition to considerable corruption and maladministration in these internal security forces, they are deficient in counter-espionage and counter-intelligence techniques. There is no coordination between various counter-subversive agencies and between various elements within individual agencies. No central files or registry on subversives is maintained; there is virtually no understanding of the security requirements of counter-espionage and counter-intelligence operations and these security forces lack adequate technical equipment. Should the internal security forces fail to cope with a serious threat, however, the armed forces would be more than adequate to maintain internal security.

In view of the lack of an immediate threat of subversion and of the deliberate policy of the ROK Government of maintaining several competing internal security organizations, it is doubtful that the ROK can be persuaded to make genuine efforts to reorganize individual internal security agencies or to unite or coordinate their activities. Therefore, it has been recommended that assistance to the ROK to control subversive activities be confined to: (1) establishing a U.S. police advisory group of 5 to 10 men to the ROK National Police to replace the present Army Advisory Group, (2) provision of limited technical equipment, particularly that type associated with CE and CI operations or for police communications, and (3) police training in the U.S. for selected members of the National Police.

SUMMARY OF NSC ACTION 1290-d REPORT ON LAOS

Although Laos' position bordering Red China and Viet Minh-controlled North Viet-Nam makes it exceedingly vulnerable to external Communist aggression, the chief immediate threat is the internal one posed by the Pathet Lao, logistically supported as well as politically directed by the Viet Minh. Armed strength of this group, which in violation of the Geneva Agreement on the Cessation of Hostilities in Laos refuses to permit the restoration of Royal Government administration in two northern provinces, is estimated at 6,000 troops, organized into 13 battalions. Small Viet Minh cadres are stationed in all Pathet Lao units presumably for the purpose of training and advising the Pathet Lao and of assuring that high-level Viet Minh orders are strictly executed, and in addition Viet Minh troops tactically in place across the border in adjacent Viet Minh territory could be quickly deployed to Laos if necessary. Apart from their concentrated strength, the Pathet Lao have a subversive capability in the form of (1) a cellular organization and arms caches; (2) overt political activity in the forthcoming 1955 elections; and (3) exploitation of the naive good-will of Lao leaders and politicians. It is believed that the Pathet Lao will not resort to violence but will continue their efforts to gain control of Laos by "peaceful" means.

To counter the internal security threat, Laos has (1) police forces (National Police and National Gendarmerie) totaling approximately 1,000 men; and (2) a National Army of 25,000 regular troops and 4,000 National Guard, which is totally dependent upon the United States for financial support and upon the French for training, actual direction of Army administration, and advice in operations. While the Lao Army is capable of preventing any expansion by force of Pathet Lao territory as long as large-scale Viet Minh support is not given the Pathet Lao, it could not now regain control over the two northern provinces. Police forces are incapable of countering concerted Communist efforts at infiltration or subversion.

In the light of Laos' present inability successfully to combat the grave Communist threat to its internal security, the paper recommended: (1) immediate implementation of the April 1955 Engle-Page police program at a cost to the U. S. of about \$4,000,000 annually (increasing combined police and gendarmerie strength from 1,000 to 4,000 over a two-year period, training this personnel in civil police duties and paramilitary techniques, providing the service with greater mobility and a radio communications system, furnishing necessary arms, ammunition, and equipment and making available U. S. technical assistance in police administration and paramilitary training, communications, and counterintelligence); (2) reduction of the Army to the U.S.-recommended 23,650 force level with a concomitant build-up of police services; and (3) establishment of a small civilian group in Vientiane (the Geneva Agreement precludes formation of a MAAG) to supervise U. S. financial assistance to the Lao armed forces.

In addition, in order to hold and possibly regain the two disputed provinces, the paper recommended that Royal forces in the area continue to be discreetly reinforced, that covert armed support be furnished selected tribal elements and other local civilians, and that diplomatic pressure on the Communists be exerted by every feasible means.

SUMMARY OF NSC ACTION 1290-d REPORT ON PAKISTAN

While subversive elements and capabilities in West Pakistan are insignificant, East Pakistan is politically unstable and particularly susceptible to subversive efforts. The Communists in East Pakistan constitute a significant threat to stability within this area and indirectly to the national government. Continued political instability and further relaxation of security measures will enable the Communist Party in East Pakistan to instigate serious disruptive activities although it is not capable of attempting a seizure of power in its own name or through the front organizations which it currently controls.

The two primary internal security forces within Pakistan are: (1) the provincial police and constabulary forces; (2) the Pakistan Army. The maintenance of public order and safety in Pakistan is primarily a function of the provincial governments. However, the Central Government has extensive latent powers that can be exercised in cases of emergencies and in addition controls through its appointees all senior posts in the provincial police organizations. The Civil Police are not usually armed, police training is generally inadequate and little technical equipment is available to police forces. In the event of a communist-inspired uprising, the army could intervene effectively to prevent its success.

The ruling group in Pakistan, which has the support of the two principal forces for stability--the Military and Civil Services--seeks close cooperation with the U. S. and favors a policy of economic development and a strengthening of Pakistan's military forces. If this group can retain its present power there will be little likelihood of Communist power or influence reaching significant proportions. However, among others the following basic factors within Pakistan militate against the establishment of internal stability and thus favor communist exploitation: (1) the undeveloped sense of national unity; (2) the absence of effective political leaders and parties with organized popular support; (3) the poverty of the masses.

The objective of U.S. aid programs to Pakistan is to help meet deficits in its economy while at the same time helping it to develop so that it can both carry the burden of its military establishment and achieve an improved standard of living. In view of the explicit U.S. commitment to Pakistan respecting its military forces, any proposal to divert military aid to police or constabulary-type forces will be strongly resisted. Conversely, Pakistan will probably continue to press for additional military assistance on the grounds that it should be counted on to supply troops for Middle East defense.

The U.S. should continue its economic and military assistance programs for Pakistan. It is believed the chances for stability in Pakistan would be enhanced if a revision of U.S. aid could reduce the fiscal burden which present plans impose upon the Pakistan Government. It is recommended that a reappraisal of over-all U.S. aid programs for Pakistan be undertaken within the limits of our present commitment to Pakistan but taking into consideration such factors as the advantage accruing to the U.S. from Pakistan's adherence to the West, and the results of the survey recently requested by the OCB to determine the economic implications of carrying out existing plans for Pakistan's military forces. The United States should encourage Pakistan to make certain improvements in its internal security organizations and the methods employed therein and should give technical assistance to the Government of Pakistan to establish a national police academy.

SUMMARY OF NSC ACTION 1290-d REPORT ON THE PHILIPPINES

The Communist threat to Philippine internal security comes primarily from subversive activity led by the Philippine Communist Party (PKP). The success of the Philippine Army and the political strength of President Magsaysay among the peasants have combined in recent years to reduce the strength of the PKP's military arm from about 12,000 to about 1,000, with party members and sympathizers proportionately reduced to a figure of about 25,000, mostly in Central Luzon. The Party includes a small number of overseas Chinese and receives some financial support from them. The PKP has been held to be an illegal association by several court decisions, but there is no legislation specifically outlawing the Party.

Although the Philippine Army has the law and order situation under good control in all but a few small localities in Luzon, it is possible that failure of the Magsaysay administration to produce an honest and efficient Government capable of making progress toward the solution of the peasants' economic and social problems might lead to a new upsurge of pro-Communist feeling and support. Such a situation would be especially dangerous if associated with an increase in neutralist feeling in the Philippines and with mounting resentment from the overseas Chinese as a result of discrimination against them which is now increasing.

The Philippine internal security forces consist of local and municipal police, the Philippine Constabulary, the National Bureau of Investigation (NBI), the National Intelligence Coordinating Agency (NICA), and the Military Intelligence Service. The Philippine Constabulary is the basic police organization of the country, and is expected to take over the maintenance of law and order from the Army as rapidly as remaining areas of Communist influence are eliminated and as personnel strength will permit. The Constabulary's strength will be increased from its present 6,900 to 10,000 in order to expedite this development. The agencies primarily concerned with control of subversive activity, the NBI, the NICA and the Military Intelligence Service, suffer from lack of coordination, while the local and municipal police forces are neither equipped nor trained to do any significant investigative work.

It is recommended that steps be taken to encourage the development of the NICA as the principal Philippine intelligence agency. Under the NICA's direction the NBI should be improved and expanded to permit it to carry out effective counter-subversive investigation with the assistance of the Constabulary and municipal police, both of which will require further training to perform their functions. The Military Intelligence Service should be reoriented to place primary attention upon counter-intelligence within the armed forces and on the activities of the military arm of the PKP. In order to remove the Philippine Army from internal law and order operations, the expansion of the Constabulary to a strength of 10,000 men should be accelerated.

SUMMARY OF NSC ACTION 1290-d REPORT ON SYRIA

The primary security threat in Syria arises from inherent instability of the government, a characteristic of all Syrian governments in recent years, and thinly veiled intervention in her internal affairs by at least five states--Egypt, Saudi Arabia, Iraq, USSR and France. Coups d'etat, political assassinations, armed uprisings and threats of armed foreign intervention are characteristics of the situation. Apathy toward communism is another.

The Arab Socialist Resurrectionist Party (ASRP), a left wing party, possesses the greatest direct subversive strength in Syria because of its following within the army, its strength in Parliament and its relationship with opportunistic political independents in key Ministries. The ASRP has been significantly infiltrated by the Communist Party of Syria which together with that of Lebanon is the best organized and best led communist party in the Arab world.

The gendarmerie and police are generally inefficient and both the positive and the counter-espionage services lack trained personnel and continuity of leadership. The army numbers 35,200. Junior officers spread party doctrine without effective interference from senior staff officers.

The Syrian communist organization is not sufficiently strong to take over the government and, in fact, does not appear to have seizure of power as an immediate objective. Rather it seeks to destroy national unity, support Soviet policies, oppose Western policies and exacerbate Near Eastern tensions. However, given a continuance of the last year's trends, there is real danger that Syria may fall largely under ASRP control either through a coup d'etat or a gradual increase in political strength. In either case this would result in an extension of communist influence. Meanwhile, of all the Arab states, Syria is the most wholeheartedly devoted to a neutralist policy with strong anti-Western overtones. If the trend continues, there is strong possibility that a communist-dominated Syria will result, threatening the peace and stability of the area and endangering the achievements of U.S. objectives in the Near East.

The U.S. extends no military, economic or technical assistance to Syria. It has a small information program and a small exchange of persons program. Recommendations: Since no government that the Syrians themselves are likely to install will take effective action against communist subversion even if internal security forces are strengthened and since the strengthening of such forces might in fact serve to perpetuate undesirable governments in Syria, the U.S. should make no attempt to strengthen Syria's internal security forces. The OCB Working Group concerned should give priority consideration to developing courses of action in the Near East designed to affect the situation in Syria and to recommending specific steps to combat communist subversion. Upon subsequent establishment of a firm program, contingency aid programs should be prepared and held in readiness.

this 1290-d country

(N.B. Since report was completed in July 1955, the election of a new president, the formation of a new cabinet (albeit a weak one), and other developments have reduced the drift to the left at least temporarily even though a basic instability remains which makes the country more vulnerable to communist control than any other Arab State).

SUMMARY OF NSC ACTION 1290-d REPORT ON THAILAND

Thailand lies athwart the route of further Communist movement southward. The primary threat to its security is the subversive and aggressive forces of Communist China and North Vietnam. Only the relatively weak nations of Burma and Laos separate Thailand from Communist countries.

The ruling coup group does not at this time face any significant internal challenge to its authority by Communists or other opposition elements. The potential threat of Communist subversion is recognized by Thai leaders and they are taking active countermeasures. The weaknesses lie in the inefficiency and venality of officials and cumbersome trial procedures. Top Thai military-political leaders, however, have always found means to deal with persons they consider a threat.

Internal security is maintained by both the Police and Military Forces. The Army, however, may not operate within 25 kms. of Thailand's border under treaty.

The Thai Police are reasonably capable of detecting subversives; they are fully capable of apprehending and detaining those so identified. They can handle riots and localized disturbances, and are reasonably capable of preventing border infiltrations. The Police would require assistance from the Army to suppress widespread guerrilla activity, which is unlikely at this time. Under present circumstances, the effort required to bring about an armed uprising or widespread paramilitary activity could not take place without detection by the Police, who could then undertake preventive action. The Thai Army is capable of fulfilling its internal security role and of serving as a deterrent to small-scale aggression. Neither the Army nor the Police are subject to Communist influence at this time. The effectiveness of the Army is limited by lack of initiative, incompetence, and political involvement of senior officers.

The numbers and character of Thai internal security forces exceed the norms for effective maintenance of internal security against current and foreseeable requirements. Consideration of other bases for justification of forces in excess of those needed for internal security, e.g., to deter or retard external aggression, to contribute to collective regional security, or for covert psychological or political reasons is beyond the purview of this report.

This report recommends that the U. S. review its current and projected programs in Thailand in order to define clearly the basis for supporting forces in excess of internal security requirements considering carefully the possible disadvantages which might outweigh any economy realized by the reduction of such forces.

Any proposals or plans to reduce current or projected U. S. programs in support of internal security forces in Thailand must be carefully weighed. The U. S. aided in the development of these forces at a time when there appeared to be a greater threat than can be discerned at present. Accordingly, the reduction of Thai forces to the estimated level adequate solely to maintain internal security would lead to serious misinterpretations not only in Thailand but throughout SEA and could possibly stimulate Communist activities in that region. In view of the current "peaceful co-existence" climate, a major downward revision of the U. S. program might be interpreted as a softening of U. S. attitude toward Communist China thereby inducing Thailand toward the neutralism which already has a strong appeal throughout Southeast Asia.

LIST OF COUNTRY REPORTS
(Previously Distributed)

<u>Country</u>	<u>Date of Transmittal Memo to OCE</u>	<u>Date Board Noted Report</u>	<u>Revised Pages Transmitted By Memo Dated 10/13/55</u>	<u>Revised Pages Transmitted By Memo Dated 11/10/55</u>
Afghanistan	10/11/55	10/19/55 <u>b/</u>		1,6,7,8,9
Bolivia	7/8/55	10/19/55	8 & 9	
Brazil	8/23/55	8/31/55 <u>b/</u>	6,8,10,11	1,10,11
Burma	7/8/55	7/13/55 <u>b/</u>		1,7,8
Cambodia	6/17/55	6/29/55 <u>b/</u>		1 - 10
Chile	8/4/55	8/24/55 <u>b/</u>		1,7,8
Greece	8/4/55	8/24/55 <u>b/</u>	1,2,6,7,9, 11,12,13	1,10,12; Delete 13
Guatemala	6/15/55 (Final Version)	6/1/55 <u>a/</u>		
Indonesia	10/11/55	10/19/55 <u>b/</u>		1,4,12,13
Iran	9/6/55	9/14/55	9,10,12,15	
Iraq	6/27/55	7/6/55		
Korea	9/23/55	9/28/55 <u>b/</u>		1,6,8,9
Laos	6/10/55	6/22/55		
Pakistan	7/15/55	7/27/55	8,9,10,11	
Philippines	6/17/55	6/29/55		
Syria	6/27/55	7/13/55		
Thailand	9/6/55	9/14/55	9,13,14	
Vietnam(Free)	9/13/55	9/21/55		

a/ Concurred in as an Internal Security Annex to Outline Plan of Operations for Guatemala.

b/ Concurred in by the Board on November 16, 1955.