

THE CORNELL UNIVERSITY SOUTHEAST ASIA PROGRAM

The Southeast Asia Program was organized at Cornell University in the Department of Far Eastern Studies in 1950. It is a teaching and research program of interdisciplinary studies in the humanities, social sciences, and some natural sciences. It deals with Southeast Asia as a region, and with the individual countries of the area: Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, and Vietnam.

The activities of the Program are carried on both at Cornell and in Southeast Asia. They include an undergraduate and graduate curriculum at Cornell which provides instruction by specialists in Southeast Asian cultural history and present-day affairs and offers intensive training in each of the major languages of the area. The Program sponsors group research projects on Thailand, on Indonesia, on the Philippines, and on the area's Chinese minorities. At the same time, individual staff and students of the Program have done field research in every Southeast Asian country.

A list of publications relating to Southeast Asia which may be obtained on prepaid order directly from the Program is given at the end of this volume. Information on Program staff, fellowships, requirements for degrees, and current course offerings will be found in an *Announcement of the Department of Asian Studies*, obtainable from the Director, Southeast Asia Program, 120 Uris Hall, Cornell University, Ithaca, New York 14850.

FOREIGN AND DOMESTIC CONSEQUENCES OF THE
KMT INTERVENTION IN BURMA

by

Robert H. Taylor

Data Paper: Number 93
Southeast Asia Program
Department of Asian Studies
Cornell University, Ithaca, New York

Price: \$3.50

Wain
D
483
1842
1934

© CORNELL UNIVERSITY SOUTHEAST ASIA PROGRAM 1973

International Standard Book
Number 0-87727-093-7

001/402

PREFACE

One of the most neglected episodes in the history of post-war Asian international relations has been the invasion of Burma by the Chinese Nationalist (Kuomintang) troops of Chiang Kai-shek and the enduring consequences of this action. Beginning in 1950 and continuing for more than a decade, Kuomintang military operations had a major impact on Burma's internal political life and foreign policy, with consequences which are still operative. Indeed, the pattern and dynamics of power in present-day Burma cannot be adequately appreciated without an understanding of this phenomenon.

Conceived in Washington as part of a grand strategy to contain the People's Republic of China, the plan to utilize remnants of Chiang's forces for the purpose of harassing and weakening the Peking government from bases wrested from the Burmese was an ignominious failure. These Kuomintang troops had little stomach for the risks involved in military probes back into China and instead moved deeper into Burma, occupying and pillaging extensive areas. Modern U.S. military equipment was airdropped to them in such quantity that they were able to provide many of these arms to Shan and Karen insurgents with whom they made tactical military alliances against the government of Burma. As a consequence, centrifugal ethnic political forces in the country were significantly strengthened.

Although the CIA played a major role in this affair during both the Truman and the Eisenhower administrations, no substantial treatment of it appeared in the American press until April 1966 when *The New York Times* included it in a general over-view of CIA activities. Moreover, Western studies of Asian international relations, even those confined to Southeast Asia, have nearly all eschewed all but the most limited reference to this matter and have usually avoided any reference to the CIA's pivotal role. The only exceptions known to me are Oliver Clubb Jr.'s brief (four pages), but forthright, treatment in his *United States and the Sino-Soviet Bloc in Southeast Asia*, published in 1962, and his earlier Rand Corporation study dealing with the 1950-1954 period, "The Effect of Chinese Nationalist Military Activity in Burma on Burmese Foreign Policy." But his accounts and that of *The New York Times* cover only a small part of the

CHAPTER III

THE KMT EMERGENCY, 1949-1954

When the Communists achieved power in China in October, 1949, they did not effectively control the area along the Burmese border. Largely mountains and jungles, this area is sparsely populated by various tribal groups who often straddle the international border. These conditions provided the defeated KMT armies in Yunnan Province an excellent place to which to retreat. The Burma-China border was not clearly defined or marked in many areas and the government of Burma, like the new government of China, had little control on its side of the boundary. Many of the KMT troops were reported to be natives of Yunnan and presumably some of them knew the border region well.

According to Chinese sources, the People's Liberation Army did not enter Kunming, the capital of Yunnan, until February, 1950.¹ It can be assumed that it was several months after that before the PLA was able to penetrate the mountains of southern Yunnan. The KMT troops remaining in southern Yunnan resisted the PLA advance by conducting guerrilla harassment operations. The Chinese press later reported that

Following the peaceful liberation of Yunnan, remnant forces of the running dog of American imperialism, Bandit Chiang, instigated landlords and armed secret service agents to organize riots, murder cadres and seize grains and funds, availing themselves of the political vacuum existing at the time and the complicated national frontiers and mountain terrain. They even formed bands of several thousand men and attacked and occupied our *chu* and *hsiang* governments.²

1. Chen Tien, "Yunnan--China's Gorgeous Frontier," *Wen Hui Pao* (Hong Kong), June 13 and 14, 1955, translated in United States Consulate-General, Hong Kong, *Survey of the Current Mainland Press* (SCMP), 1092, p. 39.
2. Kunming *Yunnan Jih Pao*, March 4, 1954, in *ibid.*, 783, supplement, p. xix.

This indicates that the CPR was not able to control effectively the border region for some time and the KMT was able to reorganize resistance to the government. Land reform and other campaigns in the border areas were usually two or more years behind the rest of China because of the lack of government control and the desire not to alienate the minority peoples from the new government. As late as July, 1950, reports from Saigon indicated that 4,000 KMT troops already in Burma were returning to Yunnan to carry on guerrilla warfare. They had been dissuaded by French officials from entering Indo-China.³ As the PLA advanced further into southern Yunnan, more KMT's entered northern Burma.

During most of 1948 the government of Burma showed little concern over the activities of the Chinese on the northern border. There was one report of clashes between government of Burma troops and Chinese guerrillas.⁴ Late in the year Prime Minister Nu, in a broadcast speech, noted that Chinese refugees were "pouring over the border" from Yunnan. He suggested that this posed a threat to the peace of Burma and apparently felt that among the refugees might be Communists sent to infiltrate the country.⁵

The government of Burma reported that in April, 1949, a force of 2,000 Chinese "army deserters" apparently from Yunnan entered the Kengtung area of the Shan State and burned Shan villages.⁶ A survey published by Burmese newspaper editors stated that "armed Chinese bands" were "roaming at will over three-fifths of Kengtung."⁷ Organized KMT units, according to the *Sawbwa* of Kengtung, passed through his state in early 1949 on their way to join the Free Laos Movement in neighboring Indo-China, but they were defeated by the French and returned to Yunnan.⁸

An organized unit of approximately 200 KMT's entered Kengtung State in January, 1950. They were joined in March by 1,500 troops who brought with them 500 dependents.⁹ The

3. *New York Times*, July 13, 1950.

4. *Ibid.*, April 9, 1948.

5. *Ibid.*, December 6, 1948.

6. *Ibid.*, April 11, 1949.

7. *Ibid.*, April 28, 1949.

8. *Ibid.*, March 31, 1950.

9. Union of Burma, Ministry of Information, *Kuomintang Aggression Against Burma* (Rangoon, 1953), p. 9.

KMT's who entered Burma were members of the Eighth Army commanded by General Li Mi, the 26th Army under General Liu Kuo Chwan and the 93rd Division under Major-General Mah Chaw Yu.¹⁰ The 93rd had been forced from Burma by the Japanese during World War II.¹¹ None of these units had made great records of military accomplishment either in World War II or during the Chinese civil war.¹²

The Burma army had interned some of the first KMT troops who had entered Burma but later arrivals refused to submit to the Burmese. The KMT commander in Kengtung, in June, 1950, demanded that the Burma army release the interned KMT's, and he announced he would attack if the Burma army attempted to capture his men.¹³ The KMT had established a headquarters at Tachilek and were attacked there by the Burma army in July, 1950. By then their total strength had increased to 2,500 men.¹⁴ General Li Mi established a new headquarters at Monghsat in late 1950 and recruited more troops from Chinese and Shans on the border. Most of the Shans had to be bribed or threatened into joining. By April, 1951, the KMT had increased to 4,000.¹⁵ The government of Burma reported that 100 Nationalist Chinese troops arrived in Kengtung in late 1950 to organize three training camps.¹⁶ Diplomatic sources in Rangoon reported that Chinese volunteers from Malaya, Thailand and Burma were joining the KMT and that they were being supplied daily by air from Thailand.¹⁷ By mid-1951, the problem was becoming more serious for the Burma government. The KMT had spread further west and crossed the Salween River to prey on villages there.¹⁸

10. Tinker, *Union*, p. 50.

11. *New York Times*, March 13, 1950.

12. Maung Maung, *Grim War Against the KMT* (Rangoon: Private Printing, 1953).

13. Burma, *Kuomintang Aggression*, p. 9, Exhibit document 1, pp. 139-141.

14. Tinker, *Union*, p. 52.

15. *Ibid.*; Tibor Mende, *South East Asia Between Two Worlds* (London: Turnstile Press, 1955), p. 148.

16. Burma, *Kuomintang Aggression*, p. 9.

17. Johnstone, *Chronology*, p. 23.

18. Cady, *History of Modern Burma*, p. 621.

In January, 1952, reports indicated that well-armed KMT troops "were moving daily from Formosa, through Thailand to General Li's army. . . ." ¹⁹ Their strength had increased to at least 8,000 men in Burma²⁰ and many of the troops were armed with United States-made weapons.²¹ The Thai police arrested a Chinese newspaper editor in Bangkok for recruiting Chinese Thais to join the KMT.²²

Estimates of the total number of KMT's vary but the *New York Times* reported that there were 12,000 KMT's in Burma by February, 1952.²³ Nine hundred more arrived from Formosa in late February.²⁴ By March, 1953, it was reported that 30,000 KMT's were on the border.²⁵ General Li Mi claimed to command 30,000 troops.²⁶

As noted above, the KMT were being supplied by air drops in 1951. C-46 and C-47 transports flew supplies in at least twice a week.²⁷ By March, 1952, planes were landing supplies at a KMT airfield at Monghsat.²⁸

The KMT were also supported by banditry and opium smuggling. They monopolized the Shan opium trade and used the revenue to buy guns in Thailand. A Chinese, posing as a merchant, but probably a KMT officer, conducted an opium for guns business in Chiangmai.²⁹

19. *New York Times*, January 29, 1952.

20. Johnstone, *Chronology*, p. 26.

21. *New York Times*, January 29, 1952.

22. *Ibid.*, February 2, 1952.

23. *Ibid.*, February 11, 1952.

24. *Ibid.*, February 22, 1952.

25. *Ibid.*, March 3, 1953.

26. *Time*, 61, No. 20 (May 18, 1953), pp. 30-31.

27. Burma, *Kuomintang Aggression*, pp. 10-11, 15.

28. *Ibid.*, p. 15.

29. *New York Times*, March 9, 1952; Royal Institute of International Affairs, *Chronology of International Events and Documents* (London), No. 9, p. 216; "The Atlantic Report on the World Today: Burma," *The Atlantic Monthly*, May 19, 1954, p. 6.

In their first few years in Burma, the KMT launched several attacks and border raids on the Chinese Communists in Yunnan. They were never successful and were always driven back by the PLA. Once in early May and again in July, 1951, major offensives were attempted.³⁰ Assaults were also attempted in August, 1952,³¹ and again in January, 1953.³² In the last effort the KMT were badly routed. Reports indicated that only 20 per cent of the 30,000 troops involved in various operations returned from Yunnan.³³ Following this effort, the KMT apparently concentrated their efforts on controlling the border with China and took the border post of Kyotkok, opposite Wan-t'ing in Yunnan, from the Burma army.³⁴ The Burma army was soon able to retake the post, however.³⁵

According to the government of Burma, the KMT also attempted to create border incidents which would have caused Burmese and PLA troops to fight each other. The KMT would post as either Burma Army or PLA soldiers and attempt to draw fire from one side onto the other. Incidents of this nature were reported to have occurred on August 26, September 14, December 23, 1951, and January 23, 1952.³⁶ The Burma army and PLA commanders apparently did not fall for these ploys. KMT units also fought each other.³⁷ Some had reportedly been infiltrated by Communists but hostility may have developed over opium collection and other activities.

By 1953 the KMT virtually occupied Kengtung, Manglun and Kokang States in the Shan State. The map on page 15 illustrates the extent of KMT domination. They had forced the administration of the government of Burma to flee the area and had themselves assumed the functions of de facto government, including tax collection. They built over one hundred miles of road, seventy in Burma and thirty in Thai-

30. Burma, *Kuomintang Aggression*, pp. 13-14.

31. *Ibid.*, p. 14.

32. *Nation*, February 15, 1953.

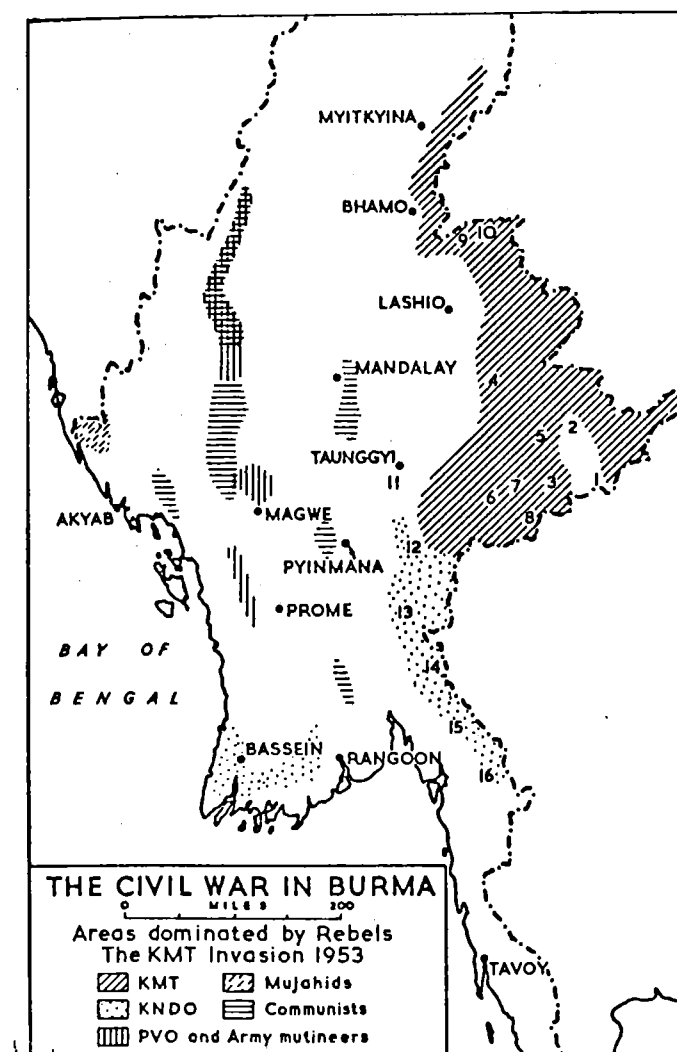
33. *New York Times*, March 2, 1953.

34. *Bangkok Post*, February 20 and 23, 1953.

35. *Ibid.*, February 25, 1953.

36. Burma, *Kuomintang Aggression*, p. 15.

37. *Nation*, February 22, 1953.



From Hugh Tinker from *The Union of Burma*
Published by Oxford University Press
under the auspices of the Royal Institute of International Affairs.