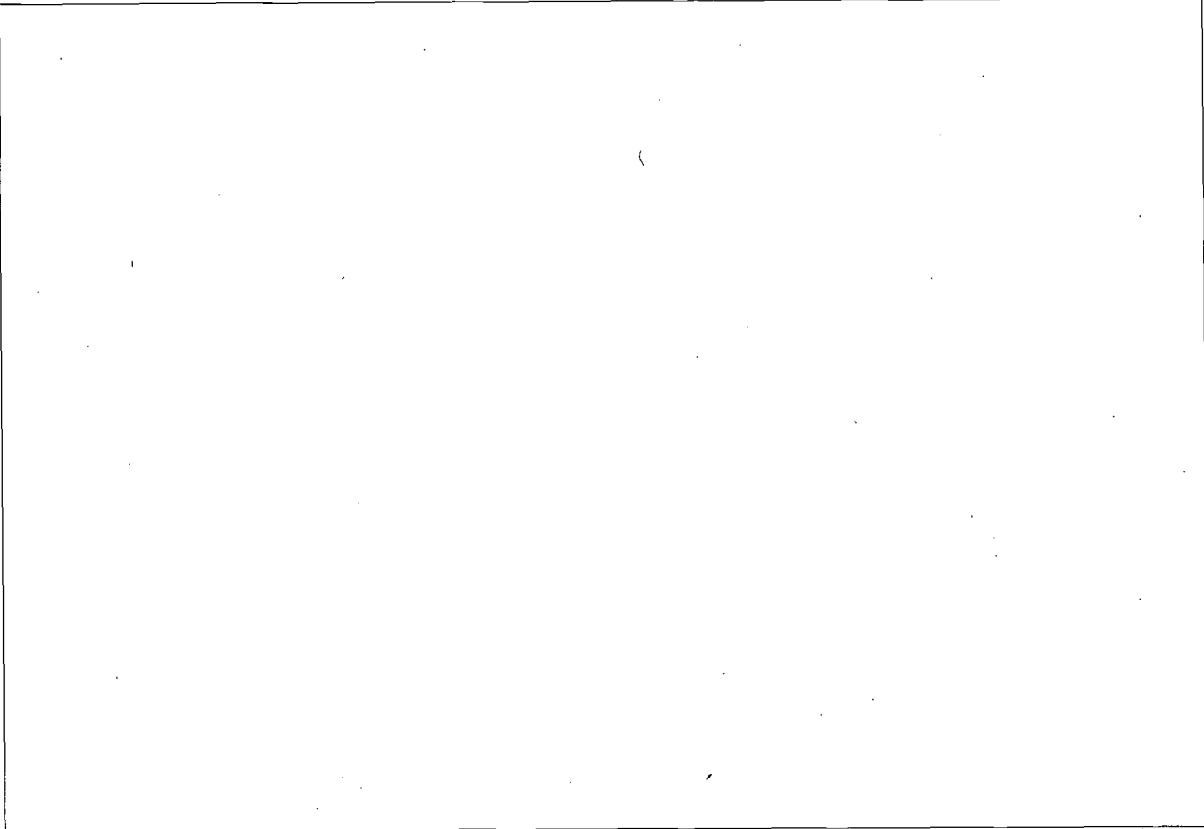


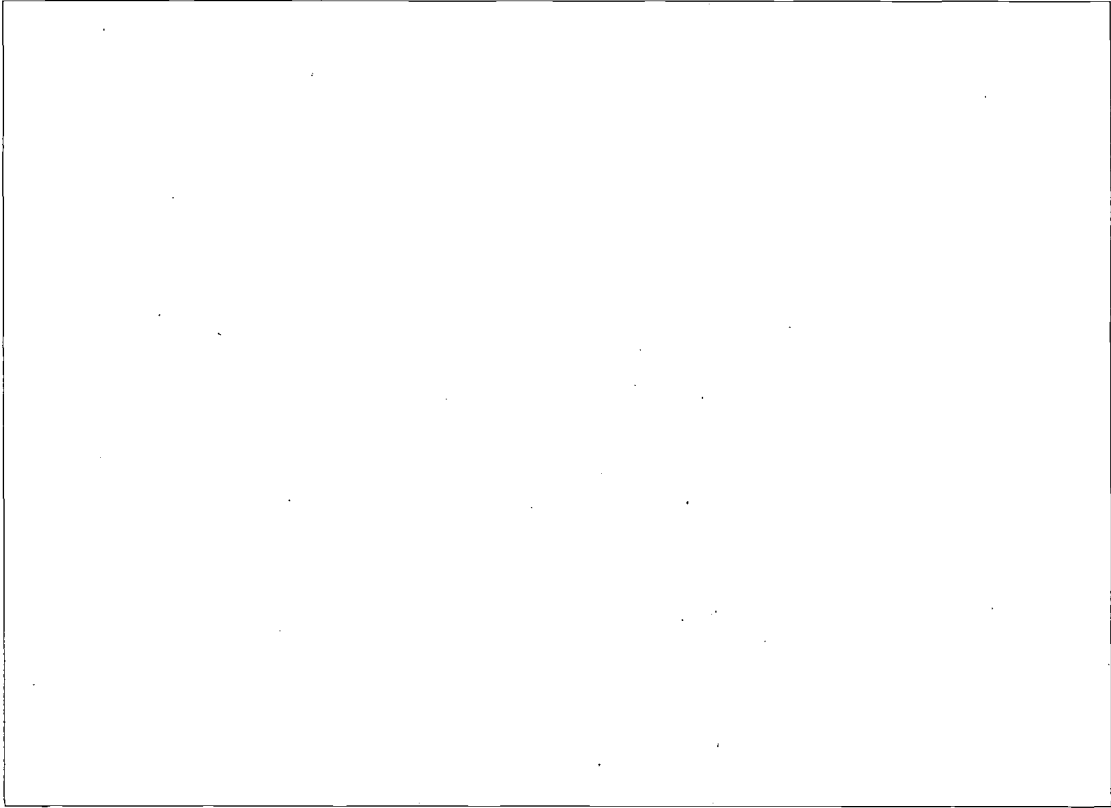
21 May 51
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"A" CHINA. Communists "not interested" in Korean Settlement. A

[redacted]
a statement made privately a month ago, by a member of the Chinese Communist Central Committee, that the Communists (1) are "not interested" in a Korean settlement at this time, and (2) have "no fear" of an extension of hostilities to China or the USSR during 1951, due to the existence of "conflicts within the imperialist camp." ([redacted] 18 May 51). COMMENT: The reported statement is credible. The Peiping regime has given no indication of a willingness to modify its terms for a Korean settlement—including withdrawal of all UN forces from Korea, surrender of Taiwan to Peiping, and admission of Communist China to the UN—and recent Peiping broadcasts have alleged that the US, while desirous of expanding hostilities, cannot obtain sufficient support for such a program.

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"A" Communist Air Strength for Korean Operations Now Estimated at 900. [redacted] the enemy now has a total of 900 operational aircraft and that this strength will possibly reach 1,000 by mid-year. [redacted] a large percentage of this expansion has been in fighter aircraft, "in keeping with the enemy's long continued defensive tactics..." [redacted] however, that "the enemy could momentarily effect a complete change in tactics and sustain offensive operations..." [redacted] raising the estimate of enemy air strength (from 750 to 900) on the basis of increased operational and training flights in Manchuria during April and the first week of May. ([redacted] 19 May 51).

"B" KOREA. Communists May Attempt to Counter UN Naval Action in the Wonsan Area. [redacted] reporting on 18 May from the Wonsan area note the emplacement of additional artillery pieces (20mm and 76mm guns) on two peninsulas protecting Wonsan Bay. It is believed that this artillery will be used to support an offensive to be launched on an unknown date by a North Korean Colonel Kim's unit against the UN-occupied islands in Wonsan Bay. A mine-laying force

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of two motorboats and 11 sailboats under a North Korean Naval Captain Ree will also take part in this offensive. ([redacted] May 51). COMMENT: UN naval craft report that moderate shore fire received for the second successive day from Wonsan suggests that an attempt is being made by the Communists to lift the UN naval siege of Wonsan. While it is believed that Communist forces in the area may succeed, in a determined enough effort, in recapturing the UN-held islands in the Bay, the limited range of Communist artillery pieces reported as being in the area would render ineffective these pieces in an artillery duel with the UN Naval Forces in Wonsan Bay.

"C" Communist Seaplane Observed in Northwest Korea. [redacted]

[redacted] on 6 May a US aircraft observed a seaplane, with engines running, 100 yards from the shore near Haejŏn, northwest of Seoul in North Korea. There were six 20-foot boats close by the aircraft. [redacted] the Soviet Fleet is known to possess light flying boats of the US PBV-5, Soviet GST, and MDR-6 types. ([redacted] 18 May 51). COMMENT: This is the first reported sighting of a non-friendly seaplane in the course of the Korean fighting. [redacted] suggests that in view of recent enemy air activity at Onjong-ni airfield in the immediate vicinity of Haejŏn, this aircraft may have been delivering critically needed materiel or personnel to the area.

"C" Recent Prisoners Report Major Unidentified Chinese Communist Units. Chinese Communist prisoners taken on 19 and 20 May, north-east of Seoul, reported (1) that they had heard on 20 April that the 68th Army was to their rear at an unknown location, and (2) that they had heard that an unidentified army group was located to the rear of the 19th Army Group on 12 May in northwestern Korea. FECOM comments that the Chinese Communist 68th Army, 20th Army Group was last reliably reported on the Sino-Korean border. The unit has previously been reported in Korea by covert and PW sources, but these reports remain unconfirmed. The unidentified army group, reported in the rear of the 19th Army Group, may be either the 20th Army Group or a composite army group similar to the Chinese Communist 3rd on the central front. ([redacted] 21 May 51). COMMENT: The unidentified army group in northwestern Korea may be a composite force from the Second Field Army, consisting of the Chinese Communist 4th and 8th Armies. These units, although tentatively accepted in Korea, remain unlocated.

[redacted]

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