"C" CHINA. Peiping Remains adamant on Korean Settlement. Reports that there is general knowledge on the mainland that the Chinese Communists have suffered heavy casualties in Korea, but that there is no apparent disposition on the part of the Communist leadership to agree to a Korean settlement on other than Peiping's stated terms. (______ 15 June '51). COMMENT: The above report is in agreement with the account of almost all travellers from the mainland.

"C" Alleged Sino-Soviet Decisions on Korea Strategy. Agreement among Sino-Soviet strategists, at a top-level meeting in Peiping on 25 May, (a) to "speed up the opening of the second front in Indochina," (b) to "sacrifi-
five men in Korea up to 30 to 1..." (c) to use military district
troops in Korea, holding field army forces in reserve, where feas-
ible, (d) to speed repairs to airfields in Korea, and (e) to take
measures to prevent the mass surrender of Chinese troops, especially
ex-Nationalist forces. (16 June 51).
COMMENT: Information allegedly emanating from top-level Sino-
Soviet conferences has not been generally reliable, and in most
cases has appeared to be compiled from rumor and speculation.
There is no evidence that Chinese Communist intervention in Indo-
china, long anticipated, is imminent. The other alleged decisions
are consistent with Chinese Communist operating procedures even
prior to the date of the reported meeting.

"B" KOREA. Prisoners of War Tell of Resuming Resumption of Enemy
OFFENSIVE. Reports of the reorganization, refitting and redisposi-
tion of enemy forces continue to be received 'daily' by the Far
East Command. Prisoners of war variously state that the "third
impulse of the Fifth Phase Offensive" is scheduled for 30 June,
that the "third stage of the Fifth Phase Offensive" will begin
between 21 and 25 June, and that a "Sixth Phase Offensive" will

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begin 25 June, while enemy indoctrination and activity is pointed toward the early resumption of the offensive, the dates specified by the prisoners of war possibly are premature. At least 16 enemy divisions must be completely rehabilitated before they can be recommitted to an offensive. For this reason it is not considered likely that the enemy will be able to mount any strong offensive before early July with the forces now accepted in Korea. (17 June 51). COMMENT: Numerous reports have been received by FEGOM of the recent entry into Korea of several additional armies from the First and Third Chinese Communist Field Armies and the North China Military Area. Although there is insufficient evidence as yet to accept them as being in Korea, confirmation of their presence doubtless would cause FEGOM to revise downward its estimate of the time required for the enemy to prepare a new offensive.

"G" Powsang Announces POW Committee in Defense of Peace. Radio Pyongyang on 15 June announced that Premier Kim II-sung has decided "to grant the request" of American and British prisoners of war for permission to organize a Prisoners of War Committee in Defense of Peace in Korea. The POW's committee will seek to participate as "conscientious allies in the movement of peace partisans which is being launched throughout the world." (15 June 51). COMMENT: While the North Korean regime has previously broadcast appeals for peace allegedly authored by US or UK prisoners, this appears to be the first time a committee has been set up to cooperate with the World Peace Partisans. This type of propaganda employment of POWs is a standard Communist operating procedure.