SECOND MAIN ADMINISTRATION OF THE GENERAL STAFF OF THE SOVIET ARMY

CIPHERED TELEGRAM No. 16293

Copies: Stalin (2), Molotov, Malenkov, Beria, Bulganin

From BEIJING Received 21:45 8.2.1952

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TO FILIPPOV [Stalin]

I send you for familiarization the abbreviated text of the telegramto me from Peng Dehuai of 22.1 of this year and my answer of 4.2 of this year.

The telegram of Comrade Peng Dehuai of 22.1 of this year.

"1. 16.1 of this year the Minister of Foreign Affairs of [North] Korea Pak Heon-yeong [Pak Hon Yong] was at my place. In a conversation he said that the Korean people throughout the country demand peace and do not want to continue the war.

If the Soviet Union and China consider it advantageous to continue the war, then the Central Committee of the Workers' Party will be able to overcome any difficulties and hold to their position.

I answered that a peaceful settlement on the basis of justice and rationality is advantageous for us. I also explained to him about the favorable conditions of our side in the present military situation and about the increase in the difficulties of America. Therefore an agreement on an armistice can be reached. However in military relations we will carry out active preparation of our forces for further conduct of military operations.

While departing, Minister Pak Heon-yeong agreed with my point of view about the general situation and said that his visit had the goal of a simple meeting and his opinion is not the opinion of the Central Committee of the Workers' Party and the Korean government, but purely his personal opinion.

2. In 1951 the Korean government collected agricultural taxes in kind in grain in the amount of 650,000 tons, which constituted too large a percentage of the entire yield. At the present time 10 percent of the population is suffering from hunger. The majority of the peasant population will be able to subsist only until April-May.

If there is no assistance soon, then this will influence not only the carrying out of spring sowing but also the gathering of the harvest.

They say that our government has already resolved to deliver to the Korean government 30,000 tons of grain. I do not know, is this true? If it is not true, I consider that it is necessary to prepare for timely delivery of 30,000 tons of grain in March for the purpose of providing assistance so that the peasants can engage in spring planting.

3. I consider that although our budget is also very strained, in 1952 we nevertheless need to plan to apportion 1,600,000 million yuan (which constitutes approximately 237 million rubles) according to the plan of 1951 budget year for rendering aid to Korea. This amount can hardly be reduced. I ask that all this possibly be planned earlier in the general budget."

My answer of 4.2 of this year.

"I received your telegram of 22.1 of this year. As concerns rendering aid to Korea, in our budget for 1952 we have already included expenditures of 1,500,000 million yuan (approximately equal to 222 million rubles), which somewhat exceeds the sum of the trade credit extended by China to Korea in 1951, the sum granted by China for urgent restoration of Korean railroads and also the sum granted by China for maintenance of Korean citizens located in Manchuria.

If military operations in Korea are ended, then it is assumed that expenditures for aid to Korea will be increased.

At the end of January of this year the Minister of Trade of Korea Comrade Jang Si-woo [Jang Si U] came to Beijing for negotiations about deliveries of goods in 1952. As a result of these negotiations the total value we established for goods delivered by us comes to 700,000 million yuan (approximately 103 million rubles).

Korea will not deliver anything to us in exchange, and therefore the aforementioned amount was established as the sum of trade credit.

As concerns foodstuffs stipulated in the application, the delivery according to this application will be carried out from February to May. In each month 5,000 tons of rice and 5,000 tons of foxtail millet [Setaria italica] (in all 40,000 tons of rice and foxtail millet will be delivered), in each month 200 tons of bean oil.

In addition, in February 3,300,000 meters of cotton fabric will be delivered.

Negotiations will be concluded soon. According to your practical observation, if military operations in Korea cease, what is necessary to restore in Korea as first priority?

The army of the Chinese volunteers can render assistance as a work force to restore the highways and agricultural economy. What other kind of aid is needed from us?

I ask you to study these questions and communicate your opinion."

MAO ZEDONG

No. 431

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