SECOND MAIN ADMINISTRATION OF THE GENERAL STAFF OF THE SOVIET ARMY

CIPHERED TELEGRAM No. 25902

Copies: Stalin (2)

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SERIES "G" T.

To Comrade FILIPPOV [Stalin]

Comrade FILIPPOV!

After the resumption of negotiations for cessation of military operations in Korea, in view of the large losses at the front over the last two months and the increase in demands within America and outside its borders for cessation of military operations, the possibility of the American side accepting the conditions for an armistice has increased. However, at the same time, taking into account internal and external politics, the American government is still trying to keep the international situation tense, and therefore the Americans, while actively engaged in spying and carrying out a policy of an advance in the course of the negotiations, are trying to drag out the negotiations.

The main question in the negotiations is the determination of the demarcation line. In place of the demand for designation of the demarcation line deep in the rear of our troops, the enemy has proposed to designate it on the basis of the present line of the front, with some alterations and with the inclusion of the region of Kaesong in the buffer zone.

At present the enemy is already demanding the designation of the line in fact contiguous with the line of the troops at the time of the signing of an agreement on cessation of military operations as the demarcation line without the inclusion of the region of Kaesong in the buffer zone. We are insisting on the cessation of military operations at the present front line and the designation of the present line contiguous to the troops of both sides as the demarcation line with the introduction of alterations in the line contiguous to troops of both sides in case of alterations of it in the period of the achievement of an agreement on all points of the agenda. At the present time the enemy is fighting with us precisely on this question, but we assume that this fight will not continue for long.

Our proposal about cessation of military operations at the present front line and our agreement to set aside the question of the 38th parallel as the demarcation line, and the question of the withdrawal of all foreign troops from Korea before the convening of a political conference, was made not only because the present negotiations are negotiations about cessation of military operations and [because] the enemy will not in any case want to exchange eastern mountainous regions to the north of the 38th parallel for low-lying regions to the south of the 38th parallel, but also because in case the enemy refuses to leave the eastern mountainous regions we also have mountainous regions there [that are] advantageous for defense; as regards the western coastal plain to the south of the 38th parallel, it is advantageous for us because it has a much greater population than the eastern regions, and furthermore it is rich in agricultural products, plus the region of Kaesong is an advanced post for taking Seoul.

Comrade Kim Il Sung during the discussion of armistice conditions in Beijing in June of this year had the same opinion on this question. This time it also was done with his agreement.

As regards the discussion of the question of monitoring at the negotiations, we earlier suggested to propose to create an organ for cessation of military operations, in which would be included representatives of both sides, and to assign to it the task of monitoring the fulfillment of the conditions of the cessation of military operations and monitoring in the buffer zone.

However, the enemy is sure to demand the establishment of monitoring in the rear of both sides, in order to limit the transport by both sides of reinforcements and military goods.

We intend to agree to the establishment of monitoring at 1 or 2 border points of both sides and in accordance with your instructions to propose to transfer the monitoring functions to neutral states, in other words to states that are not participating in the war. We want to invite three states to fulfill these tasks: the Soviet Union, Poland and India.

It is possible that the Americans will oppose this at the beginning. Then we will propose to introduce [as monitors] representatives from Sweden and one state of Latin America.

As regards the exchange of prisoners of war, we will oppose exchange according to the principle of 1 for 1 and will propose exchange according to the principle of return of all prisoners of war by both sides.

I think it will not be difficult to reach agreement on this question.

On the question of the governments of the interested states convening a conference of high level officials, three variants are possible:

- 1. Convening a conference of political representatives of both sides which are presently conducting negotiations. (It is possible that America will propose this variant.)
 - 2. Convening a conference with the participation of four states: the Soviet Union, China, America, England and representatives of North and South Korea.
- 3. Convening a conference with participation of seven states: the Soviet Union, China, America, England, France, India, Egypt and representatives of North and South Korea.

I ask you, proceeding from the international situation, to give instructions regarding which of the three variants is best or propose a new variant.

At the present time, on the basis of the aforementioned we will achieve cessation of military operations this year. At the same time, we will carry out the necessary preparation in case of a dragging out of the negotiations by the enemy and their breakdown. Expecting that the negotiations will be drawn out for another half year or year, we have moved toward economizing on our human and material forces in the Korean theater of military operations and we are pursuing the tactics of a long, active defense, with the goal of holding the position we presently occupy and inflicting great manpower losses on the enemy, in order to gain victory in the war.

Within the country we are preparing for the reorganization of the army, reduction of the bureaucracy, introduction of a regime of economizing, increasing production and further strengthening of the campaign to aid Korea and struggle against American imperialism, for the purpose of ensuring the further conduct of the war in Korea, securing also by financial means the stabilization of the scene within the country, and also strengthening state construction and mainly construction of

defense.

In the present year, in light of rendering aid to Korea and the struggle against American imperialism, the budget of the Chinese state in comparison with 1950 has increased by 60%. 32% of the total budget is directly being used in the Korean theater of military operations. (Military credit extended to us by the Soviet Government is not included in this calculation.)

Thus, if a regime of economizing is not introduced now, in the next year the budget will increase even more, which inevitably will have an influence on finances and lead to a great rise in the prices of goods, which in turn will create difficulties at the front, and also in the area of construction in the rear. It is true that achieving peace as a result of the negotiations is advantageous for us, but we also are not afraid of dragging out the negotiations. Acting thus, we will surely be able to achieve victory. At the same time we will be able successfully to carry out various measures within the country and secure stabilization and further development in the area of politics and the economy.

I ask your instructions on the above.

MAO ZEDONG

No. 5631 14.11.51

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