

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

DESPATCH

File

TO: THE SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Ambassador, Tokyo, Japan.

Reference: My Despatch No. 967 of Sept. 2, 1955

Subject: Establishment of the Provisional
National Congress of Formosa

Security: CONFIDENTIAL

No: 1007

Date: September 15, 1955

Enclosures: One (in duplicate)

Air or Surface Mail: AIR

Post File No: 210-3-1

Ottawa File No.

50056-A-40

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Miss Ireland

References

Reps English with enclosure
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On September 13, 1955, the Embassy received a letter dated September 1, 1955 from the Secretary General of the Provisional National Congress of Formosa addressed to the "Premier Minister of Canada", enclosing a signed copy in romanized Formosan, together with a signed English translation, of a declaration dated September 1, 1955 regarding the establishment of the "Provisional National Congress of Formosa". I attach a copy of the letter and the original of the signed declaration and translation, copies of which have been retained on file here. The declaration appears to be the operative instrument adopted at the meeting in Tokyo on September 1, 1955 which I described in my despatch under reference.

2. The declaration states that one of the principal missions of the Congress is to draw up ("legislate") a provisional constitution as the basis for a provisional government for Formosa. It is not clear whether the provisional constitution is now in existence or whether it is yet to be drafted. Apart from this statement of purpose and of course the declaration of the establishment of the Congress, the declaration says nothing new. It merely restates the views of the Formosan Democratic Independence Party with which we are already familiar, namely,

(a) the natives of Formosa should be allowed to establish a free independent Republic of Formosa;

(b) the Republic should be democratic;

(c) the Republic should possess permanent neutrality guaranteed by the United Nations.

3. I have not acknowledged receipt of the enclosures.

[Signature]
Ambassador.

Internal Circulation

Distribution to Posts

C O P Y

Provisional National Congress of Formosa
P.O. Box No. 41, Kyobashi, Tokyo, Japan

September 1, 1955

No. 36, Taira-Machi, Meguro-ku, Tokyo

The Premier Minister of Canada

Dear Sir:

Enclosed herewith, please find a copy of
our Declaration of the Establishment of the Provisional National
Congress of Formosa in romanized Formosan with an English
translation.

Very Respectfully Yours

Sgd. Lim Kiam Hong

Secretary General of the
Provisional National
Congress of Formosa

DECLARATION OF THE ESTABLISHMENT OF THE PROVISIONAL NATIONAL CONGRESS
OF FORMOSA

We, representatives of the twenty-four prefectures and cities of Formosa, who have escaped from our fatherland, Formosa, and assemble here, in Tokyo, Japan, hereby declare to the whole world, the establishment of the Provisional National Congress of Formosa.

The Provisional National Congress of Formosa is the supreme organ representing the will of the Formosan natives. Therefore it will represent the eight million Formosan natives in taking charge of both the internal and external affairs of Formosa from the 1st of September, 1955, and hereafter.

One of the principal missions of the Congress is to legislate the Provisional Constitution of the Republic of Formosa, based on which the Provisional Government of the Republic of Formosa is to be established.

Every race has the inborn right of erecting its own independent country according to its free will. Unfortunately our Formosan race has been overrun by alien invaders in the past and present, during which we have been struggling under the banner of democracy and independence all the time. And hereby we pledge most solemnly to exert our combined efforts, with body, mind and soul, towards the great cause, at this moment of establishing the Provisional National Congress of Formosa.

Should the great war explode with A- or H-bombs discovered by the advanced, modern science, it is evident that mankind will be fallen into the depth of self-annihilation. In order to avoid the war, the fundamental causes of international disputes should be eradicated. As clearly indicated in the history, Formosa has been a place of conflict among the big powers. Hence, the eternal world-peace cannot be secured unless the Republic of Formosa is established by the Formosan natives under the principle of racial self-determination.

We, native Formosans, are peace-loving people except invasion made by alien races against us. Thus permanent neutrality guaranteed by the United

Nations will be the foundation of the Republic of Formosa.

Confronted with the present, complicated, international situations around Formosa Area, we want to declare hereby that any decision or any resolutions made by the United Nations or the powers concerned on the Formosan problem will be invalid and will not be accepted by the eight million Formosan natives, should it be against the will of the Formosan natives, or without the agreement of the Provisional National Congress of Formosa.

Hereby we solemnly declare as above, on behalf of the native Formosans, to the whole world.

The Provisional National Congress of Formosa

The Honorary President: Liāu Būn-gē *Thomas W. S. Lia*

The President: Gō Chín-lām *Chin-lam Go*

The Vice President: Tē Bān-hók *Ban-hok*

The Chairman of the Foreign Relations Committee: Tân Soan-būn *Soan-bun Tan*

The Chairman of the Internal Affairs Committee: Tân Kim-chōan *Tan Kim Chuan*

The Chairman of the Financial Affairs Committee: Koeh Thāi-sēng *Thai-seng*

The Chairman of the Provisional Constitution Drafting Committee: Kán Būn-Kai *Kan Bun Kai*

September 1, 1955.

No. 36, Taira-machi, Meguro-ward,

Tokyo, Japan.

TAI-OAN LIM-SI KOK-BIN GI-HOE SENG-LIP SOAN-GEN

Goan, Tai-oan ji-chap-si koan-chhi ê tai-piau, thoat-chhut goan ê cho-kok Tai-oan, chu-chip ti chia, Jit-pun, Tang-kiá, ti chia tui choan-se-kai soan-gen Tai-oan Lim-si Kok bin Gi-hoe ê seng-lip.

Tai-oan Lim-si Kok-bin Gi-hoe si Tai-oan goan-chu-bin choe-ko min-i ê tai-piau-ki-koan, só-í che si tai-piau Tai-oan peh-pah-ban goan-chu-bin; chu chit-chheng kau-pah go-chap go-ni¹ kau-goh it-jit khi i-au chhu-li Tai-oan lai-goa ê su-kián.

Chit-ê Kok-hoe ê chu-iau sú-beng ê chit-ê chu-si lip-hoat Tai-oan Kiông-ho-kok ê Lim-si Hian-hoat, kin-ki chit ê lai seng-lip Tai-oan Kiông-ho-kok ê Lim-si Cheng-hú.

Tak ê min-chok to u i ê thian-seng ê koan-li, kin-ki i ê chu-iú i-chi lai kian-lip chu-ki ê tok-lip kok-ka. Put-heng goan ê Tai-oan Bin-chok ti koe-khi kap hian-chai to-pi goa-chok chhim-liok, ehong-si ti chit-ê ki-kan goan to put-si chai bin-chu kap tok-lip ê ki-ha ke-siok hun-tau. Iu koh goan ti chia seng-lip Tai-oan Lim-si Kok-bin Gi-hoe ê chit-si giam-tiong soan-se, kek-lek thoan-kiat goan ê lek-liong, tui chit ê toa bok-pliau chin goan ê sin, sim kap leng.

Hian-tai chin-po ê kho-hak só hoat-beng ê goan-chu kap chui-so pok-tan ê tai-chian na hoat-seng, jin-lui hian-jian e ham-lo ti chu-biat ê chhim-ian. In-úi iau phia-bian tai-chian, só-í kok-che kiu-hun ê kin-pun goan-in tek-khak tloh chhu-siau. Lek-sú beng-beng ki-chai, Tai-oan si liat-kiang pit-cheng ê te. Só-í, na bo Tai-oan goan-chu-bin kin-ki bin-chok-chu-koat ê goan-chek lai kian-lip Tai-oan-kiông-ho-kok, se-kai-eng-oan ê ho-peng si be thang tit tloh.

Goan, Tai-oan goan-chu-bin si ai ho-peng ê jin-bin, ti-hui si siu goa-chok ê chhim-liok. Kok-lian po-ho² ê eng-se-tiong-lip si Tai-oan-kiông-ho-kok ê ki-chho.

Tui-i Tai-oan chiu-úi hok-chap ê hian-chai kok-che kiok-se, goan ti chia ai seng-beng, hoan-si poe-hoan Tai-oan goan-chu-bin ê i-chi jim-ho Kok-lian a-si tai-kok-kan ê koat-teng to bo hau, a-si chiah ê ki-koan ê jim-ho koat-gi na bo Tai-oan Lim-si Kok-bin Gi-Hoe ê tong-i, peh-pah-ban ê Tai-oan goan-chu-bin

to bô beh chiap-siū.

Ti Chia goán t̄ai-piáu T̄ai-oân goán-chu-bîn t̄ui choan-sè-kài í-siōng soan-gên.

T̄ai-oân L̄im-si Kok-bîn Gi-hōe

Bēng-ī gi-tiūⁿ : Liâu Būn-gē. *Thomas W. I. Lias*

Gi-tiūⁿ : Gō Chín-lam. *Chin Lam Go*

Hū-gi-tiūⁿ : Tēⁿ Bān-hōk. *Tebayhok*

Gōa-kau uí-oân-tiūⁿ : Tân Soan-būn. *Soanbun Tan*

Lōe-chēng uí-oân-tiūⁿ : Tân kim-choaⁿ. *Tan Kimchoan*

Chai-chēng uí-oân-tiūⁿ : Koeh Thài-sēng. *Koeh Thai-seng*

L̄im-si hiàn-hoat khi-chho uí-oân-tiūⁿ? Kán Būn-kai. *Kan Bun-kai*

Chit-chheng káu-pah gō-chap-gō-niⁿ, káu-gōeh, it-jit

Jit-pun Tang-kiaⁿ, Bok-hék-khu Pēng-teng, saⁿ-chap-lák Hoan-tē.

NUMBERED LETTER

CANADIAN EYES ONLY
CONFIDENTIAL

To THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy,
Tokyo, Japan.

Reference: Mr. Davis' Despatch No. 70 of
January 19, 1956.

Subject: Formosan Independence Movement

Security:.....

No:..... 914

Date: December 13, 1957.

Enclosures: 2 (in duplicate)

Air or Surface Mail: Air

Post File No: 8-3-6

Ottawa File No.	
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References

Orig in 11578-D-40

We are attaching some translated material dealing with the Formosan independence movement. This material has been excerpted from the Foreign Ministry's Analysis of Communist China mentioned in our letter No. 890 of December 10, 1957, and the source of the information in it should therefore be kept confidential.

2. According to the Foreign Ministry's analysis, there is no hope of a Formosan independence movement achieving success in Formosa because of the strict control maintained by the Nationalist Chinese police. Within Japan, the Formosan independence movement is split into pro-communist and anti-communist components and it succeeds in achieving only enough publicity to remind other countries - especially the United States - of its existence. Much of the information contained in this analysis of the organization, activities and future goals of Liao-Wen Chi's Formosan Independence Party is probably known to you already from previous reports of this Embassy and from your other sources of information and need not be repeated here. One point worthy of special interest, however, is the suggestion that Liao has actually had some secret dealings with Communist China.

Internal Circulation

3. Since we last reported on the Formosan movement in the despatch under reference, there has been little news of Liao's group except that on February 28 this year a cocktail party was held at the Dai Ichi Hotel in Tokyo to celebrate the "Tenth Anniversary of the Independence of Formosa" (i.e. in memory of the Nationalist Chinese massacre of Formosans on February 28, 1947) and the "First Anniversary of the Temporary Government of Formosa". Some 300 guests attended the reception at which Liao announced the formation of an "Overseas Formosan Residents Association". Liao is also reported to have declared that he had sent a "directive" to the youth of Formosa instructing them to extend their full cooperation to American headquarters in Formosa "in case of an emergency", and to refrain from any act which would "give Formosa to the Communists".

Distribution to Posts

4. The Nationalist Chinese Embassy in Tokyo was quick to denounce Liao's meeting as a "farce" and he was challenged to conduct his activities in Formosa if he sincerely wished for the "liberation" of his people. The

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Embassy also released a statement allegedly prepared by one Cheng-Fong-Sen, a former vice-president of Liao's organization who has since broken off his relations with the independence movement. This statement charged that Liao's movement was a "deception and full of conflicts in principle and the party is merely a puppet set-up being used by a handful of communist inclined people....The party is composed of a few of the Chinese residents in Japan who receive directives from Peking and whose activities are in line with those now living in mainland China, belonging to the Shieh Shueh-Hong faction, who played an important part in the instigation of the February 28th incident in Formosa."

Embassy.

Formosan Movement

(From Chapter 5, Section 4)

Trends of the Formosans

It is inconceivable in the present circumstances of stringent police surveillance, that the military organizations of the Nationalist Government should fall under the control of the Formosan movements. Formosan officers must be content with lowly rank though most of the Formosan troops are enlisted men in the Nationalist Chinese Army. They cannot understand why they must sacrifice their lives for the defence of the Chenmen and Matsu islands and they are greatly discontented. The common people wish to see those from the continent go home and to see themselves free from the confinement imposed by the Nationalist regime. But because of stringent surveillance, it is inconceivable that they should be organized, at least openly.

The Formosan independence movement in Japan has its own internal complications, for some of its members are pro-Communist, while others are pro-Nationalist. The movement lacks a strong unifying personality for its leadership. Its activities are sufficient only to enable its existence to be known in the United States and other countries and there is no good prospect of its influence extending to Formosa.

The so-called Formosan Independence Party (with Liao Wen-chi as President) held an inauguration ceremony of the "Formosan Provisional Assembly" at the residence of the Koga family at Taira-machi, Meguro-ku, Tokyo on September 1st, 1955. (The late Mr. Koga was President of Taipei Bank of Commerce and Industry). The inaugural declaration stated that the "Provisional Assembly" would be the supreme organ representing eight million Formosans on and after September 1st, that it had the important task of enacting a provisional Constitution, and that it would make the Republic of Formosa permanently neutral under the guarantee of the United Nations. The Provisional Assembly elected 24 members (all residents in Tokyo) to act as representatives of the 24 cities and prefectures of Formosa, and elected officers as follows:

Honorable Chairman	Liao Wen-chi	(scheduled to be the Head of the Government)
Chairman	U Shin-nan	(doctor, deputy Chief of the Independence Party)
Vice-Chairman	Cheng Wan-fu	(trader)
Foreign Affairs Commissioner	Chen I-wen	(old Singapore resident, speaks fluent English)
Domestic Affairs Commissioner	Chen Kin-sen	
Financial Commissioner	Kuo Tai-sheng	
Chairman of Provisional Constitution Drafting Committee	Chien Wen-kai	

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Some 100 people were present at the ceremony, including Kanichiro Kamei and other Japanese, one American and one Indian. It is reported that some 50 members of the opposition rushed to the place and made trouble by throwing eggs.

Concerning this meeting, Chien Wen-kei (Secretary-General who is said to keep in contact with Communist China) stated informally on August 31, 1955, that:

1) After the assembly had come into being, he would start drafting the Constitution and establish a "Provisional Government of the Republic of Formosa" at an appropriate time in the future. That time would come when (a) a decision is made by the United Nations about the Formosan issue and whether, depending on that decision, the Chiang regime might continue and (b) when the Nationalists pull out of the Matsu and Chenmen islands and, thus can they be regarded as having declined to the status of a government in exile in Formosa.

2) The party intends to penetrate more actively into Formosa in the future and to use elections and other functions to its advantage through its underground organizations. The present strength of the party is estimated at 200 thousand in Formosa and about 2 thousand in Japan. The Party's policy is aimed at preventing Formosa from falling into the hands of Communist China in any case. (Note: in this connection, the opposition group of Hwang Nan-hong and others claim that the Liao Wen-chi and Chien Wen-kei group are actually in friendly contact with Communist China and disguise themselves as absolutely anti-Communist).

3) The party intended to send President Liao to the Asian-African Conference as its representative, but this did not materialize. (Note: They say it was because of financial reasons, but actually it was because the Indonesians denied him a visa.) Instead, it sent a petition to that Conference to the effect that "the Chiang regime's Occupation is illegitimate. It is hoped that the Formosan issue will be discussed at the Asian-African Conference and that Formosa and the Pescadores will be placed under a United Nations trusteeship for three years and that after the three years, they will be granted independence." This petition was read by the Ceylonese Prime Minister, Kotelawala, at a press conference, causing a great sensation. The party also presented a memorial to the Summit Conference of July at Geneva, appealing for "the neutrality and inviolability of the Formosan Strait, the neutralization of Formosa and the Pescadores, the dissolution of the Nationalist Government at the responsibility of the Allied Powers and permanent neutrality of Formosa under the guarantee of the United Nations."

4) The reason why the party broke with the Hwang Nan-group (this group broke with the Independence Party in the spring of 1955 to form a Formosan Independence League, which is still weaker than the former) is that Hwang is the leader of a group of exiles from the Mainland and concurrently an officer of a secret society affiliated with Li Tsyng-jen's group: he is a member of the Mainland group completely and cannot be regarded as a genuine Formosan. So the party discharged him from the post of Vice-President of the party and made him an advisor. Dissatisfied with this, he organized the "Formosan Independence League" this spring. But the League is very weak, for it lists quite arbitrarily the names of the Independence Party members among its membership.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

DESPATCH

File

TO: THE SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Ambassador, Tokyo, Japan

Reference: My despatch 967 of September 2, 1955

Subject: Formosan Democratic Independence Party

Security: UNCLASSIFIED

No: 1009

Date: September 14, 1955

Enclosures: *gm*

Air or Surface Mail: Air

Post File No: 210-3-1

Ottawa File No.

50056A-60

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Miss Ireland

References

Mr. [unclear] to see file [unclear] [unclear]

Attached is a clipping from this morning's The Mainichi quoting a Party spokesman to the effect that the Nationalist Chinese Government has offered \$30,000 for the head of Dr. Liao, President of the Formosan Democratic Independence Party. The spokesman alleges that the Nationalist Chinese intelligence agents in Japan are keeping the Party, said to number 2000, under surveillance. Neither the threat against Dr. Liao, nor an alleged threat to shoot Liao's nephew, in jail in Taiwan, seems to scare the Democratic Independence Party.

Ambassador

Internal Circulation

Distribution to Posts

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CANADIAN EMBASSY

TOKYO

Subject.....

Date *Sept. 14, 1955* Publication *The Mainichi*

\$30,000 Said Offered For Capture Of Exile Formosan

The Nationalist Chinese Government has allegedly offered \$30,000 for the head of Dr. Thomas W. I. Liao, president of the exile Formosan Democratic Independence Party, it was charged by a Party spokesman Tuesday.

This Nationalist offer, he said, came as a reaction to the establishment of a 24-man Formosan Provisional National Congress in Tokyo on September 1.

The offer was reported by a Formosan national who had been believed to be politically neutral by Nationalist intelligence agents, the Formosan spokesman said.

Nationalist intelligence agents operate in Japan under the leadership of a Moscow classmate of President Chiang Kai-shek's eldest son Chiang Ching-kuo, the Formosans assert.

Their duties are to watch the movements and activities of Formosan independence advocates, and also to keep watch on Nationalist officials in Japan to prevent defections to the Communists, the Formosans charge.

Dr. Liao, a 47-year-old U.S.-trained chemical engineer, resides at the Tokyo YMCA but frequently stays at other undisclosed places to "avoid close supervision by the Nationalists."

Formosan independence leaders also charged that the Nationalists had threatened to shoot Dr. Liao's nephew, Liao Suh Oh (serving the fifth year of a seven-year sentence) if the Formosan underground leaders did not enter into talks with the Nationalists.

(The Chinese Ambassador in Japan stated in an interview with the United Press that the Nationalists did not want to talk with the Formosans as alleged.)

"They would not dare shoot Liao Suh Oh," a Party spokesman confidently stated.

"And we are not considering talking with them," he added. There were also threats to burn down the Party head-

quarters in Tokyo, they stated. As with all independence movements at their embryonic stage the real backing and the future possibilities of realization of Democratic Independence Party's hopes are factors still unknown.

The Party claims a membership in Japan of 2,000 officially registered with Japanese authorities; underground organization in Formosa and branches in Hongkong, Singapore and New York.

Formosan independence leaders lay great hopes in the views advanced by Walter Lippman and ex-U.S. Secretary of State Dean Acheson regarding Formosa.

NUMBERED LETTER

TO: THE CANADIAN EMBASSY, WASHINGTON
 FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA, CANADA.
 Reference:
 Subject: Activities of the Formosan Democratic Independence Party.

Security: RESTRICTED
 No: Y-1309
 Date: September 13, 1955.
 Enclosures:
 Air or Surface Mail:
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Ottawa File No.	
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References

Attached is a copy of a letter from our Embassy in Tokyo on the above subject. We hear spasmodically of the activities of the Formosan Democratic Independence Party and its President, Dr. Liao, but we have not been inclined to take them too seriously. In April, 1954 they sent a petition to the Prime Minister asking him to promote a discussion of the Formosan problem at the Geneva Conference, and a copy of this document was referred to you. We also sent you two months ago a copy of a letter from Dr. Liao to the Tokyo Mainichi explaining the errors in both the Nationalist and Communist Chinese view of Formosa.

2. I should be grateful if you would sound out State Department opinion of Dr. Liao and his organization, and in particular whether they attach any importance to his activities.

A. R. Menzies

Internal Circulation

for the
 Under-Secretary of State
 for External Affairs.

Distribution to Posts

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA: Far Eastern/J. F. McKinney/wp (FILE COPY)

NUMBERED LETTER

RESTRICTED

TO: THE CANADIAN EMBASSY, TOKYO

Security:

No: I- 545

Date: September 13, 1955

FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA, CANADA.

Enclosures:

Reference: Your letter No. 967 of Sept. 2, 1955

Air or Surface Mail:

Subject: Activities of the Formosan

Post File No:

..... Democratic Independence Party

Ottawa File No.	
50056-A-40	
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References

Thank you for your letter. We have, as you suggested, asked our Embassy in Washington to sound out State Department opinion of Dr. Liao and his activities, and we shall pass on to you any information which we receive from that source.

A. R. Menzies

for the Under-Secretary of State for External Affairs.

Internal Circulation

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

File

To THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy, Tokyo, Japan

Reference: Our letter 770 of June 29, 1955

Subject: Activities of the Formosan Democratic
Independence Party

Security: RESTRICTED

No: 967

Date: September 2, 1955

Enclosures:

Air or Surface Mail: Air

Post File No: 210-3-1

Ottawa File No.

50056-A-40

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Mr McKinney

References

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*Date
Sept. 16/55/20*

Internal
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The Formosan Democratic Independence Party has taken a further step towards fulfilling its aims of the liberation of Formosa from the Nationalist Chinese and the establishment of an independent Republic of Formosa. The action consisted in the establishment on September 1, 1955 at a meeting in Tokyo of the "Provisional National Congress of Formosa" consisting of 24 members representing the 24 prefectures and cities on Formosa. Dr. Go Chin Nam, Vice-President of the Formosan Democratic Independence Party, became President of the Congress and Dr. Liao, President of the party, became Honorary President of the Congress. Fifty Formosans who took part in the meeting were apparently heckled by Nationalist Chinese who had heard about the meeting. Press reports of the event have produced little other information about the Congress, but in view of Dr. Liao's previous efforts at publicizing the Party, it is to be expected that further information will be forthcoming in due course of time.

2. The newspapers have also provided some information about Dr. Liao which had not previously come to the attention of this Embassy. Dr. Liao is stated to be a U.S.-trained professor of mechanical engineering, aged 47, who was active in the nationalist Formosan uprisings of 1947. After the suppression of these uprisings, Dr. Liao fled to Shanghai and then to Hong Kong where, in 1948, the Formosan Democratic Independence Party was covertly organized. The Party is said to have underground branches in Formosa, New York, Singapore and Hong Kong and to have the "full support" of the eight million Formosans. In 1950 Dr. Liao is said to have come to Tokyo from Hong Kong and to have suffered arrest by the Japanese authorities at the instigation of the Nationalist Chinese representative on the Allied Council, resulting in seven months incarceration in Sugamo Prison in Tokyo. Dr. Liao's views on foreign policy as expounded at the recent Congress appear to be based on a desire to maintain friendship with Japan in the north, the Philippines in the South and the United States in the east, as a countervailing influence against Chinese Nationalists and Communists. He has suggested that an independent Formosa ought to be provided protection by the UN.

3. It is far from clear how powerful the Formosan Democratic Independence Party is and how effectively it can pursue its aims. However, the recent move to establish a Congress suggests to me either that Dr. Liao sees some prospect of his aims being fulfilled as a result of the recent relaxation of tension over Formosa, or that the U.S. may be bolstering up the Formosan independence movement as a possible card to play against the Chinese Communists as and when the U.S. moves into more fundamental discussions with the Central People's Government.

1955 SEP 7 AM 9:37

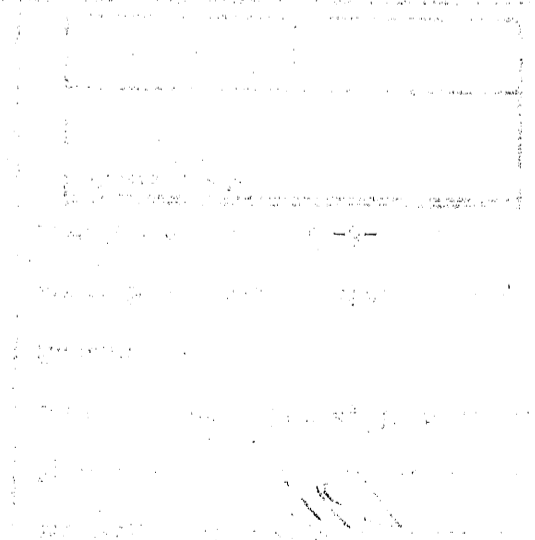
Faint, mostly illegible typed text at the top of the page.

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Handwritten note: *22/21.10.55*

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4. Since it is a part of the Canadian Government's attitude toward the Formosa problem that the people of Formosa should have a say in their ultimate fate, I wonder if you could produce any information on Dr. Liao's movement. We should like to be in a position to follow Dr. Liao's activities as fully as possible and unless you can foresee some objection, I would propose that the Embassy in Tokyo might endeavor to find out a little more about Dr. Liao's Party by making enquiries of the U.S. Embassy here. It might be useful, too, to see what our Embassy in Washington could find out from the State Department at the same time.

A handwritten signature in black ink, appearing to be 'R. J. A.', written in a cursive style.

Ambassador

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FILE 50050-A-40 pt 2.

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Date 12/6/90

References and Related Files

File No.

Subject

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Series <i>Top Secret</i>	File/Dossier <i>50056-A-40</i>	Volume <i>2</i>	Dates <i>1/10/50-30/1/53</i>	Location/Lieu <i>1</i>
Title/Titre <i>Status of Formosa - Policy of Western Powers</i>	Screeners <i>A.R. MENZIES</i>		Date <i>14/9/83</i>	
Category/Catégorie <i>6</i>	Declassified Déclassé <input checked="" type="checkbox"/>	Partly declassified Déclassé en partie <input type="checkbox"/>	Closed Non déclassé <input type="checkbox"/>	Release date Date du déclassement

Explanation/Explication
*This volume begins with exchanges between
 Canada to UN and Ottawa re a draft
 resolution on Formosa. Cda found meeting
 UN in Formosa issue. PRC did arrive at UN.
 Memo on legal status of Formosa. Items re Status of
 Formosa in neg. J. Peace Treaty. Role of US 7th Flt
 in Formosa Strait. 12 Apr 51 dismissed by MacArthur. 4
 All material is over 30 yrs old. I recommend*

declassification
A.R. Menzies
A.R. MENZIES

**FOR SUBSEQUENT CORRESPONDENCE
SEE NEXT PART OF FILE**

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Mr. Lester

Copy on 50056-A-40

ORIGINAL

File No. 100243-40

77 77

Security Classification

SECRET

JAN 31 1953

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

*file on 50056-A-40
RBE*

System CYPHER-AUTO	No. WA-252	Date: January 30, 1953.
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Priority
IMMEDIATE

Departmental Circulation

MINISTER
UNDER/SEC
D/UNDER/SEC
A/UNDER/SEC'S

Reference:

*To all
To file
RBE*

Subject: Modification to Presidential Order to 7th Fleet Regarding Formosa.

The State Department through Allison this afternoon informed the Australian, British, New Zealand and South African Embassies and ourselves that the United States Government had decided to modify the order issued to the 7th Fleet on June 27th, 1950, which instructed the fleet to prevent both an attack on Formosa and operations by the Chinese Nationalist forces against the mainland. The interdiction against Chinese Nationalist operations would now be removed.

2. President Eisenhower will announce this new policy in the course of his "State of the Union" message to be delivered on Monday. He will say that the 7th Fleet should no longer be employed as a shield for Communist China. He will affirm that this question does not imply any aggressive intentions on the part of the United States. He will make some reference to the history of the original order to the 7th Fleet, pointing out that one of its main objectives was an endeavour to avoid Chinese Communist intervention in the Korean war. Despite this the Chinese Communists had embarked on aggression in Korea. In view of this fact and in the circumstances brought about by the Chinese rejection of the Indian resolution, which commanded such widespread support amongst the United Nations, the United States Navy cannot continue to serve as a defence arm for the Chinese Communists, in a manner which aids them in their aggression. The President would therefore issue instructions that the order to the 7th Fleet be revised in an appropriate manner.

3. Only the embassies mentioned above have so far been informed of the intended order. The State Department will send messages to the United States Ambassadors in those countries participating in the Korean war, and in India and Japan, giving some

Done _____
Date _____

- References
- X SSEA
 - X USSEA
 - X SECY TO CABINET
 - X U. N. DIVISION
 - X AMERICAN DIVISION
 - X DEFENCE LIAISON (1)
 - X DEFENCE LIAISON (2)
 - X WASHINGTON
 - X LONDON
 - X TOKYO
 - X NEW DELHI
 - X KARACHI
 - X PARIS
 - X CANBERRA
 - X WELLINGTON
 - X NEW YORK
 - X SECY C.O.S.C.
 - X J.I.S.
 - X D.M.I.
 - X D.N.I.
 - X D.A.L.
- Done Jan 30/53/RLD*

Done _____
Date _____

Not Done

Govt. - General

Mr. Martin

Prime Minister

further background information to President Eisenhower's proposed order. This State Department message to United States embassies abroad will make the following points:

1. In no other part of the world is there a situation where United States forces are committed to the defence of Communist territory;

2. The 7th Fleet's instructions to prevent an attack upon Formosa will stand (it is not expected that this will be precisely said in President Eisenhower's "State of the Union" message);

3. It is not expected that the new order will have very much material effect on the present situation;

4. Since the original order had been a unilateral act on the part of the President of the United States,

President Eisenhower does not think that responsibility for modifying that order should be shared.

4. We questioned Allison as to his views on the probable practical result of the new order. Allison explained that no one was thinking of any large-scale operations by the Chinese Nationalists against the mainland. He referred to island-raiding and the possibility of some commando raids. Allison also said he did not expect that the Chinese Communists would be induced to attack Formosa, as a result of this United States move. He maintained that a Chinese Communist decision to attack Formosa would be based purely on a calculation of their military capacity to capture it. So far as policy is concerned, it has always been the declared objective of the Chinese Communists to incorporate Formosa into their territories.

5. Allison said there were two main motivations to the United States Government's decision:

1. The Government believed it necessary to clear its position in this matter with its own people, who would not understand continued use of United States forces to defend territory of the Chinese Communists, when they were engaged in war against the United States and others;

2. Although major operations by the Chinese Nationalists against the mainland are not envisaged, the mere threat of this would be embarrassing to Peking and should aid the United Nations side in the prosecution of the Korean war by pinning down considerable bodies of Communist forces in Central China.

6. We had discussed Far Eastern policy with Alexis Johnson this morning, to assist in preparing comments as requested in your letter Y-69 of January 20th. Johnson indicated that Allison would have something to say to us later in the day about the order to the 7th Fleet. When we drew attention to the obvious dangers which would exist if Chinese Nationalist raiders were escorted by or carried in United States vessels, Johnson observed that "of course that would be quite another question" and "we are not talking about that".

7. Johnson doubted that removal of the interdiction on Chinese Nationalist moves would have an adverse effect on armistice possibilities for Korea. He thought that on balance the contrary might be the case and that the threat from Formosa, while not in itself sufficient to bring the Communists to a willingness to stop fighting, might contribute to that end.

8. I am bringing with me to Ottawa a memorandum on other aspects of United States Far Eastern policy, which might provide comments upon your letter Y-69 of January 20th.

9. There has been a leak to the press about the intended new instructions to the 7th Fleet. United States officials will deny any knowledge of it, if questioned by the press.

Allen

File -
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Submitted 3 Jan 1953. This copy for
subject file

January 2, 1953

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FORMOSA

50056-A-40
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Under Article 2 of the Treaty of

Peace with Japan signed at San Francisco on September 8, 1952, by Canada, Japan, and 47 other signatories, Japan renounced "all right, title, and claim" to Formosa; but the Peace Treaty did not specify to whom sovereignty over Formosa was transferred. The difficulty over Formosa arises from the claims of two rival governments of China: the National Government of China, with its capital at Taipei, Formosa, which is recognized by Canada, and the Central People's Government of China, with its capital at Peking, which is not recognized by Canada. Both these governments consider Formosa to be an integral part of China.

2. Canada's attitude is that Formosa should be neutralized while fighting is going on in Korea. It does not follow, however, that if and when the Korean question is settled satisfactorily we should refuse to discuss the future

of Formosa within the context of international agreements that have already been reached concerning it. Any other course would be contrary to our obligation under the Charter of the United Nations to seek a peaceful solution of this kind of international dispute.

3. The question of Formosa's strategic significance has long been a domestic issue in the United States. Until the Korean crisis, however, the official United States position was one of non-interference, although it was considered preferable, other things being equal, if Formosa were not in the hands of a potentially hostile Power.

4. Since the Chinese intervention in Korea, however, the United States has tended to attach increasing importance to the strategic value of Formosa, particularly because of its threat to the line of communications between the Philippines and Okinawa. Domestic factors, especially since the dismissal of General MacArthur, have reinforced this attitude. The Canadian military view of Formosa on the other hand has been that in the event of war with China or with the Soviet Union assisted by China it would be of limited strategic value.

5. In general, we have taken the position that political considerations and the danger of embroiling the United States in a war with China outweighed strategic factors, except perhaps during hostilities in Korea. We have resisted the suggestion that the United Nations might assume any long-run responsibility for the disposition of the island or its denial to the Chinese Communists. In this, we have been influenced by Asian opinion, and by the obvious difficulties involved in finding any rational solution in view of the existence of the Nationalist regime on the island.

TOP SECRET

COPY

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~~File~~
m. H. G.
File
7950056 A-40

Despatch No. 4098

Ottawa File No. 5666-40

Date: December 10, 1952.

Security Classification - None

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Subject: British Representation in Formosa.

50056-A-40
77 77

At question time in the House of Commons on December 1 the United Kingdom Government reaffirmed its intention to maintain the British Consulate-General at Tamsui in Formosa.

2. The question was asked by a left-wing Labour member who implied that the amount of work done by the Consulate-General did not justify its being continued. He also suggested that the existence of this mission was one of the objections of the Peking Government and one of the reasons why the British Charge d'Affaires in Peking was not fully recognized.

3. The Foreign Under-Secretary said that the duties of the Consul-General included the protection of about 160 British subjects in Formosa, the protection of British commercial and shipping interests and such matters as the issue of passports and visas. In the light of the work being done he was satisfied that the retention of the post was fully justified. It was not true to say that the Peking authorities had objected to the existence of a British consular post in Formosa.

Post
File
No.
AR 204/1

Copy to:
Tokyo
Washington

H.R. Horne (Sgd.)
for the
High Commissioner.

CLARK DW 5475-EF-40

Far Eastern/C.A.Ronning/BKM
November 28, 1952.

CONFIDENTIAL

Mr. R. [Signature]
to see
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MEMORANDUM FOR THE UNDER-SECRETARY

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of the	73 73 77

Technical Assistance to Nominees of the Chinese Nationalist Government in Formosa

In reply to the request you penned on the memorandum from Economic Division of November 25, I would say that there would seem to be no political reason why applicants from Formosa for technical training in Canada should all be refused. It is still true that Formosa is receiving more economic and technical assistance from the United States by far than any other part of Asia, but I see no reason why we should not accept applicants for certain specialized types of technical work just because individuals are, at the present time, in Formosa. I am of the opinion, however, that we should observe the following precautions in changing our previous policy:

- (a) We should not advertise the fact that we are now prepared to receive applicants for technical training from Formosa and draw unnecessary attention to our change in policy;
- (b) We should accept only applicants for technical training as Formosa is already overstocked with administrative experts.

Agree
[Signature]

2. I have discussed this with Mr. Thurrott and he assures me that we can reject applicants without giving any reason and that each applicant would be considered entirely on his own merits for special training in Canada.

Economic Division
To note
915

C.A. Ronning
Far Eastern Division

28.11.45 (U.S.)

Ext 2A

See 4/44
[Handwritten initials]

file on 50056-A-40 RBE

OTTAWA FILE
NO. 50073-40
76/76
SECURITY CLASSIFICATION
SECRET <i>J.1</i>

Letter No... 663

Date..... October 23, 1952

FROM: OFFICE OF THE HIGH COMMISSIONER FOR CANADA IN AUSTRALIA

TO: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference... Washington Telegram WA-2354 of September 30 to Ottawa

Subject... Visit of Australian Minister in Manila to Formosa.

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NOV 4 1952

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Post File
No... 120-2

1. Mr. Maybee called yesterday on Mr. Harry of the Pacific Division in the Department of External Affairs to enquire about the recent visit of the Australian Minister in the Philippines, Rear Admiral G.D. Moore, to Formosa. Mr. Harry made available the enclosed document which is a slightly condensed version of Admiral Moore's despatch reporting on his visit.
2. For background Mr. Harry mentioned that the possibility of a visit to Formosa by an Australian official had been broached at the ANZUS Council meeting in August and that the idea had received American blessing. He emphasized that Admiral Moore had gone to Formosa on leave. The idea that the visit was an official "good will" tour had been developed by the Chinese, as you will observe from the first few paragraphs of the enclosure. Mr. Harry said that Admiral Moore had not been given any special briefing in connection with this visit and the report represented the reactions of one who was not especially versed in Chinese affairs. The despatch speaks for itself and requires no special comment.
3. In response to the query, Mr. Harry said that the Department was not giving any consideration to the possibility of opening a diplomatic mission in Formosa.

[Handwritten Signature]
Office of the High Commissioner

NOV 11 1952

Call on 2005-11-14

OTTAWA FILE

SECURITY CLASSIFICATION
SECRET

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Letter No. 203
Date: October 22, 1952

FROM: OFFICE OF THE HIGH COMMISSIONER FOR CANADA IN AUSTRALIA
TO: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
Reference: Washington Telegram WA-2354 of September 30 to Ottawa
Subject: Visit of Australian Minister in Manila to Formosa.

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2. For background Mr. Harry mentioned that the possibility of a visit to Formosa by an Australian official had been broached at the ANZUS Council meeting in August and that the idea had received American blessing. He emphasized that Admiral Moore had gone to Formosa on leave. The idea that the visit was an official "good will" tour had been developed by the Chinese, as you will observe from the first paragraphs of the enclosure. Mr. Harry said that Admiral Moore had not been given any special briefing in connection with this visit and the report represented the reactions of one who was not especially versed in Chinese affairs. The despatch speaks for itself and requires no special comment.
3. In response to the query, Mr. Harry said that the Department was not giving any consideration to the possibility of opening a diplomatic mission in Formosa.

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Office of the High Commissioner

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DESPATCH OF 22ND SEPTEMBER, 1952, FROM
AUSTRALIAN MINISTER, MANILA.

VISIT TO FORMOSA

To preserve the unofficial nature of my visit I approached the Chinese Ambassador to the Philippines (who had suggested to me some 15 months earlier that I should pay a visit to Formosa) and reminded him of his suggestion and said that as I had some leave due to me I was thinking of taking my wife for about a week's visit. Before asking permission from Canberra, however, I wanted his opinion as to whether it was a good time to go. He said it was a good time to go and stated that he would write to various officials and friends. I informed him that I would not know for about 48 hours whether my visit would be approved. In due course I informed him that approval had been given, and reminded him that as I was going on leave I hoped he would make this clear to his friends so that I should not be crowded out with official functions. I also asked him about golf, scenic places to visit and theatres.

However, the next day in Manila a Chinese newspaper reporter requested an interview. He informed me that the Chinese Embassy had told him I was going to Taipei, and desired some information concerning my visit. I assured him I was going there on leave, but he said the speculation was that I was going there to report to my Government on whether we should have diplomatic representation in Taipei. This thought was undoubtedly inspired by the fact that some two or three weeks earlier the Spanish Ambassador to the Philippines had been accredited also to the Chinese Nationalist Government in Formosa, and it was considered likely that I was going to pave the way for similar representation. I attempted to disillusion him but had the impression that he preferred his own line of thought.

The Ambassador gave me four letters of introduction, in all of which he stated that I was going to Taipei on a "good-will visit".

The result was that on our arrival I found a programme of official calls, official visits, luncheons, dinners and a visit (2½ days) to Kao Ksiung in the South. Also the press and photographers in large numbers cross-examined me closely concerning my visit, almost entirely on the question of establishing a diplomatic mission. One, however, asked me whether I had come to discuss the Pacific Pact with the Nationalist Government. It was, of course, inevitable that the Chinese Nationalist would endeavour to make the maximum capital for themselves with the press out of my visits. They are very ready to seize upon anything which can be represented as indicating an increasing interest in their regime.

We were accommodated at the Grand Hotel (formerly a Japanese shrine) which was in the process of being repaired and was not really ready for visitors, but it was explained to me that the water pipes in the official guest house were under repair which prevented our being accommodated there. This was fortunate because it gave a much less official air to our visit, and we were permitted to pay our way. A car was put at our disposal by the Department of Foreign Affairs.

2.

The following are some comments on the personalities on whom I paid formal calls:-

Mr. C. Y. Hu - Vice Minister of Foreign Affairs.

I found him rather uninteresting. He smelled somewhat strongly of liquor. He stated that he had spent five years in Canberra. He expressed himself strongly in favour of invading the mainland.

Dr. George Yeh - Minister of Foreign Affairs,

He was very interesting and stated that he knew Mr. Casey. He stated that in the last two years they have broken three communist rings, one of which had direct wireless contact with Moscow and another with the mainland. In the latter case, the government was able to continue contact for a further six months before suspicion was evidently aroused and there was a sudden silence. He also stated that there are now no communists in agriculture and industry in Formosa, although there are still a few in colleges, but these are all "tabbed" and watched for contacts. He said the Government realised they had made mistakes on the mainland and were now introducing various reforms, especially for farmers, which they hoped would be a pattern for similar reforms when they returned to the mainland. He said they have no strikes, no unemployment, no beggars and complete internal security. Anyone can go anywhere by day or night without fear of molestation.

Dr. Wang Shih-Chieh. Secretary-General, Office of the President.

He also was very interesting. He appeared to be well-informed on Australian affairs and asked if it were true that the Dr. Burton who had visited the "Peace" Conference in Peking was the same Dr. Burton who had been Secretary of the Department of External Affairs. He also expressed surprise that Dr. Evatt had defended the Communist interests when the Anti-Communist legislation was before the High Court and asked what would the situation be vis-a-vis Communists if Labour were returned to power. I could not enlighten him. I met him again several days later when I called on President Chiang Kai-Shek and he informed me he had heard from the Chinese Ambassador in Canberra that the government decision to refuse passports to Australians wishing to attend the Peace Conference in Peking this month had been supported by the Opposition. He suggested this was possibly because of the trouble the Opposition had got into over Dr. Burton. I mention these facts only to illustrate how closely he appeared to follow current political issues in Australia. He said he believed Australia and the British Commonwealth were showing more concern about Communism now and he hoped there would soon be world-wide opposition.

Governor K.C. Wu.

He was touring the East Coast and I was unable to call on him till Tuesday the 16th. He is a very forthright and able man who discussed Communism at great length and expressed the opinion that a "show-down" between the Communist and Anti-Communist worlds must take place very soon, and he could not forecast which would win.

President Chiang Kai-Shek.

He was on a tour of the South when I arrived, and made arrangements for my wife and myself to be present at the Passing Out ceremony of Naval Cadets. The parade and march past had to be cancelled owing to torrential rains,

but the ceremony took place in a large hall. He did not appear impressive to me but the Naval Officers and men present appeared almost to worship him. We later lunched, one on either side of him, at the Naval Officer's Club.

I expressed a desire to pay my respects when we both had returned to Taipei. We then received an invitation to tea at 4:30 p.m. Tuesday, 16th September. Conversation through an interpreter was a little difficult. The only item of interest was that he said that he hoped, as a result of my visit, relations between our two countries would be closer. He presented us with two packages of tea as a gift from Madam Chiang Kai-Shek, who is at present in the United States. From himself he presented Mrs. Moore and myself with two Chinese chops with our names in Chinese characters.

The American Charge d'Affaires, Mr. Howard Jones, offered to arrange a "Briefing" for me at 10:00 a.m. on Thursday, 11th September. He had with him General Chase, Senior Officer of the American Military Aid and Advisory Group; Dr. Schenck, head of the Mutual Security Agency Mission and one of his assistants and the head of the United States Information Service. The United Kingdom Consul, Colonel E.H. Jacobs-Larkcom, (with 30 years experience of China) was also present at his request. The meeting lasted two and a quarter hours. These gentlemen all gave a fairly detailed account of their missions and answered any questions I put to them. Finally Colonel Jacobs-Larkcom was asked if he would like to comment. He disagreed with their opinions on two matters of minor detail and a few days later when talking to me alone he disagreed on several other points of detail. There had been a visit from several U.S. Congressmen about a week before my arrival and the various U.S. Missions had prepared statements for them and a copy of these reports was given to me.

These reports might be briefly summarised as follows:-

- (a) Armed Forces generally are 95% mainland personnel and combat veterans. There is very little recruiting of Taiwanese. The Americans say a total of 500,000 men are under arms. (National General Sun Li-Jen claims 600,000, of whom 400,000 are in the Army).
- (b) The Air Force is most efficient but lacks planes. There are 1800 pilots (nearly all trained in America) and 250 planes, with more on order.
- (c) The Army is the next best, morale very high. They now get paid, fed and clothed - which of course, was not always the case where the Chinese Nationalist armies were on the mainland. They need more artillery. They have a very odd assortment of rifles. They respond very well to training.
- (d) The Navy is small and the least efficient. They have twelve destroyers, mostly former Japanese. They are not all running, some being repaired at American dockyards in Japan.

- (e) They have twelve L.S.T.'s with a further 18 leased to shipping companies and available at short notice. Counting H.D.M.L.'s, tugs and various small craft they have a total of nearly 200 vessels. They maintain a constant patrol in Formosa Strait.

Colonel Jacobs-Larkeom brought out an interesting point. He calls the Armed Forces a wasting asset. Their average age is approximately 28. There is natural wastage, there is no source of replacement from the mainland, the local people can ill be spared from agriculture and industry, and as the years roll on the armed forces are getting smaller and older.

On the whole the American opinion is that with the aid of the American 7th Fleet Formosa could now be successfully defended against a Communist attack. The Americans stressed the words "with the aid of the U.S. 7th Fleet".

Bearing in mind recent press reports to the effect that the U.S. Military Advisers on Formosa had been urging Washington to accept the long standing offer of the Nationalists to provide troops for the United Nations Command in Korea I was interested in this question. However I got the impression that the U.S. Military advisers were not encouraging this offer. In fact they rather cynically stated that one reason behind the Chinese offer was the desire to have a couple of their divisions well equipped by the United Nations Command.

The Americans consider that there are now no Communists in the armed forces. They are 100% loyal, and should they ever land on the mainland (which the Americans are not encouraging), there would be no massed defections to the Communists because of the hatred they now all feel towards them.

The idea that much greater Communist forces are being "held" on the mainland opposite was generally discounted. Since the United States had guaranteed no invasion either way by the presence of the 7th Fleet it was considered that the Communists had thinned out their numbers and sent them to Korea.

The Americans also consider the Chinese Nationalists are ever optimistic about an underground movement on the mainland. They consider the Communist tactics are so ruthless and the difficulties of supplying them with either money or weapons are so great that certainly no big underground movement could exist. They claim the Nationalists have no evidence of an underground movement, and they base their ideas on wishful thinking only. The Nationalists, of course, have their secret agents going back and forth to the mainland.

Regarding my impression of the regime and of conditions on the island generally I was very much impressed with the keenness, morale, efficiency and discipline of everyone. It is a hive of work. Everyone seems to be busy

and is working hard. There are no beggars. The people appear to be well-fed. Law and order reign, trains start and arrive on time, police are smart and well turned out. The army in its training programme works six days a week from 8:00 till noon and 3:00 p.m. to 7:00 p.m. The Americans stated that in a great many cases people worked even 6½ days a week.

The Cabinet members seem to live a rather spartan existence in contrast to the old days on the mainland. It was stated that Dr. Yeh, as Foreign Minister, gets a house, one servant, a car, fuel and rice and draws the equivalent of only U.S. \$29 a month.

The present government is building the reputation for a "clean" government. A party of American reporters who recently spent some time in Formosa could find no corruption. The M.S.A. people stated that they have introduced the "end use check" system in all matters where American aid is concerned, and that it is now practically impossible for money or materials to be diverted from the purpose for which it is intended. The Armed Forces represent 45% of the annual budget.

The Chinese repeatedly stated to me that they all now realised they had made many mistakes on the mainland and they were intent on profiting by their errors and wanted to build a new system to be the pattern on which to run the country when they return to the mainland. This was repeated to me so often and in such identical terms that I began to wonder whether word had gone forth that this was to be the approach to foreigners. However, the Land Reform Bill appears to be a very definite change of policy. As pointed out to me by the British Consul it was one of Sun Yat Son's suggestions many years ago, but vested interests were so strong on the mainland that steps were never taken to implement it. Now, however, in Taiwan, the situation is different. The rulers stand to lose nothing and so its implementation is easy. But whether that would hold good if they should ever return to the mainland is another question.

There appears to be some friction (though the Chinese deny it) between the 2 million civilian escapees from the mainland and the 6½ million Taiwanese. They were not wanted and the economy of the country cannot yet support them. The Americans estimate that the island will not have a self-supporting economy until 1957. The armed forces are usually considered to blame by the Taiwanese for any misdemeanours. On the whole, however, I would say from my necessarily superficial observations the friction between the Chinese and the Formosa is much less than one would expect.

The health of the island is receiving much attention. There are now 350 Health Stations and W.H.O. has anti-malaria, anti T.B., and anti-trachoma campaigns operating in towns and in the country.

During our visit to the South arrangements were made for us to visit Kao Hsuing Harbour, China Petroleum Corporation Refinery, Taiwan Cement Corporation and the Taiwan Alkali Company and I also visited Keelung Harbour in the North.

One fact which impressed me was that on the whole there were no wide differences between the pictures of the regime painted for me by the Chinese themselves, the Americans or the British Consul. The British Consul, however, did caution me against accepting some of the American conclusions in toto. For instance, he was inclined to discount in some degree the American story of the spartan existence lived by the Cabinet officials but admitted that corruption among government officials in the sense it had existed on the mainland no longer prevailed. However he felt that it would be wrong to conclude from this that they had necessarily reformed voluntarily. A big factor undoubtedly is that the strict American system of "end use check" makes corruption, at least in relation to foreign aid, very difficult. Similarly it was the British Consul who cautioned against necessarily accepting the land reform programme in Formosa as an indication of the policy which the Nationalist would follow if they ever returned to the mainland. However with those reservations my overall impression is that the Nationalist regime as it exists in Formosa to-day is a vastly improved regime from what it was reputed to be when it had control of the mainland.

Manila (M.D. 16)

22nd September, 1952.

4457-A-40
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OTTAWA FILE

No.....

Despatch No... 2901

file on 50056-A-40
RBE

Date..... 1st August, 1952.

SECURITY CLASSIFICATION

R E S T R I C T E D

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

Subject: United States Navy exercises off Formosa.

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AUG 7 1952

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[Handwritten notes and signatures]

No. of Enclosures

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Refer copy to
USIA
J.J. McCARDLE

Post File

No.....

c.c.
Tokyo
Washington

The Bevan group in Parliament have again been arguing that there has been a change of policy concerning military action against the Chinese mainland and complaining of United States unwillingness to consult about policy. Lord Alexander was asked in the House of Lords on July 28 about the public statements made regarding the exercise undertaken by American naval vessels in the Formosan Strait last month. He said that he had no official knowledge of the matter, and that he very much doubted the correctness of the statement because when he had been with the Royal Navy in the Far East he had been shown their plans and orders.

2. On July 31 Mr. Tom Driberg, a Parliamentary supporter of Mr. Bevan with pronounced anti-American sentiments, asked the Prime Minister "if he will make a statement about the recent exercises by a United States Navy task force under United Nations Command in the strait between Formosa and the Chinese mainland; in view of the differing policies towards the Chinese Nationalist regime in Formosa pursued by the United States Government and by Her Majesty's Government, what consultations between the two Governments preceded this demonstration; and if he will give an assurance that no ships or men of the Royal Navy will be used in similar exercises in these waters".

3. Mr. Churchill replied as follows: "The exercises to which the hon. Member refers were undertaken by units of the United States 7th Fleet and were not carried out under the authority of the United Nations. There is no reason why the United States Government should consult Her Majesty's Government. No exercises in the area by units of the Royal Navy are under consideration at the present time".

4. Mr. Driberg suggested that in view of the obvious political implications of this show of force off the mainland of China, there should have been consultation between the American and British Governments, particularly in view of Lord Alexander's statement that he had been shown all the plans of the United States Navy [Lord Alexander had in fact mentioned only the Royal Navy], and that this was far outside what they had intended.

5. Mr. Churchill repeated that there had been no change of policy, and he declined to amplify his answer.

A handwritten signature in cursive script, appearing to read "H. A. Roberts". The signature is written in dark ink and is positioned above the typed name.

High Commissioner.

50056-A 40

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Statement by Mr. Pearson in the House of Commons
on April 1, 1952 on the future of Formosa
(Hansard Pages 1008-1010)

MR. PEARSON: On Formosa. The hon. member for Peel complained that I was trying to lead him into an academic discussion on this matter. There could hardly be anything less academic in the world than the situation in the Far East, particularly in Korea and Formosa. Indeed there is so little of the academic about this subject that when the hon. member for Rosetown-Biggart (Mr. Coldwell) began to talk about Far Eastern matters he admitted it was risky to discuss them; and so it is. It is also delicate, and not easy.

A good many references have been made to Formosa. In that connection I asked--and I did not do so in any provocative sense but in the same way that that information had been asked of me--as to the policy of the opposition parties in respect of Formosa and Far Eastern questions. I said I was not sure in my own mind, for instance, what was the policy of the Progressive Conservative party in respect of that island. They had stated through their spokesmen that they would not permit Formosa to fall into communist hands, and when I heard that statement--which was made more than once--I wondered what was meant by it. Did that mean we should use force to prevent Formosa falling into communist hands? Is it suggested that the United Nations should use force for this purpose, which of course is manifestly impossible? Or is it suggested that Canada and the United States might use force for this purpose? I did not go as far as that. It was suggested that my fault in talking about this matter was that I left the question of Formosa open; and I submit that that is exactly what should be done with it at this time.

At the moment we in the United Nations are pledged at least to try to make peace with communist China over Korea; and negotiations for the first stage of making peace, the armistice stage, are now under way. That is what we are trying to do. Then if we are successful in the first stage we are pledged to discuss other Far Eastern questions. We have taken that pledge in the United Nations. Should we now say that we will never allow Formosa to go back to Peking, if they do not throw out their present government in China? Should we say that, especially when we have subscribed to international agreements recognizing Formosa as part of China, and when we recognize that now sovereignty legally resides in China? I suggest that that would be rigid, dead-end diplomacy, and not very wise diplomacy to follow at this time in this matter. Suppose we had followed the same tactics three or four years ago in respect of Yugoslavia. We would look a little ridiculous now. In discussing this matter the hon. member for Peel (Mr. Graydon) said at page 675 of HANSARD for March 21:

.....as I see it today, neither this nor any other government can do more than simply to formulate its Far Eastern policy with respect to Formosa and to red China, on a day-to-day basis.

Personally I think that may be going a little too far in the pursuit of freedom of action; but if it means anything at all--and I suggest it does mean something--it is certainly not what the hon. member for Vancouver-Quadra (Mr. Green) advocates. It must surely mean that it would be unwise now to say we will not permit Formosa ever to be returned to China if a communist government is in power at Peking.

MR. GRAYDON: It is not what you said, either.

MR. PEARSON: It also means it would be unwise to say now that we will hand it over to such a government in Peking, or that we would force the people of Formosa to join China under that government. No one on this side of the house has ever suggested that, nor can any reasonable inference be drawn from any statement I have made which would indicate that to be the policy of the government. Ultimately, of course, Formosa must be a question of international discussion and decision, preferably through the United Nations as the Secretary of State for the United States has already intimated.

In such a discussion, which I suppose must come ultimately, there are certain factors which should be taken into consideration by those responsible. The first--and possibly the most important factor of all, though it is very often overlooked--in our discussion of this matter is that the views of the Formosan people themselves should be taken into consideration. They are a people who have not known national freedom, who are in many ways quite separate from the Japanese and Chinese who have ruled over them. Second, consideration must be given to international engagements already undertaken including, I may add, the United Nations charter. Third, consideration should be given to the character and policies of the government or governments of China which may be in power at that time. Fourth, of course, we cannot overlook the fact I have just mentioned, that legally Formosa is part of China. Both Chinese governments insist on that. It is about the only matter on which they are united. The dispute is over which government shall control Formosa.

The leader of the opposition (Mr. Drew) seemed even more suspicious than the hon. member for Peel about government policy in regard to Formosa. He got quite rhetorical over the necessity for open diplomacy in this matter. As he said, there must be no secret agreements with regard to Formosa or any other country in the world; there must be no sordid trades dealing with human lives. And he felt that to hand over Formosa to the Peking government of China would be the same brand of appeasement that was represented by what he called the terrible decision at Munich.

Mr. Speaker, in regard to this suggestion I need only say that there is no deal about which we know anything, secret or otherwise, in regard to Formosa; and the bogey of secret diplomacy in this matter is strictly fictitious. The United Nations must decide, and there is not much secret diplomacy these days about the United Nations. Possibly we might make more progress if we had a little more confidential discussion there. Open covenants, yes; but occasionally open covenants confidentially negotiated, after the principles and purposes of the negotiations have been made known to our own people. I am not sure that would not be more effective and far better for peace and good understanding than the headline and housetop diplomacy on which the Russian communists, who are now the staunchest believers in open diplomacy insist.

SECRET

From National Intelligence Estimate,

File in

CHINESE COMMUNIST CAPABILITIES AND INTENTIONS
WITH RESPECT TO TAIWAN THROUGH 1952,

*"Postwar Position
of Formosa"*

NIE-27/1
1 April 1952

R. L. ROGERS

~~APR 27 1952~~
MAY 12 1952

The Problem

To estimate Chinese Communist capabilities and intentions with respect to Taiwan through 1952.

Assumption

The USSR will continue to support Communist operations in the Far East but will not intervene directly and overtly.

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Conclusions

1. Except for a substantial increase in air capabilities, the over-all capabilities of the Chinese Communists to launch either a large-scale invasion or limited surprise attacks against Taiwan remain substantially unchanged since April 1951 when NIE-27 was published. Chinese Nationalist capabilities to defend Taiwan have not improved substantially since that date.
2. Provided that present US policy with respect to Taiwan continues unchanged, and provided that US naval and air forces are available to defend Taiwan, Chinese Communist operations against Taiwan would almost certainly fail.
 - a. We do not believe that, under present circumstances, the Communists could achieve surprise in a large-scale attack. A large-scale Communist invasion attempt would almost certainly fail unless surprise were achieved to assure a fait accompli before US air and naval forces could be brought to bear.
 - b. A Communist attack with a limited number of their best troops probably could achieve surprise, but the Nationalists alone could almost certainly contain such an attack, unless the Communists received timely large-scale reinforcements. US naval and air forces could almost certainly prevent such reinforcements.
3. If US policy with respect to Taiwan should change and the US did not participate in the defense of Taiwan, the Chinese Nationalist forces could not successfully defend Taiwan against a large-scale Communist operation.
4. The Nationalist Government is relatively stable and serious factional strife is improbable so long as President Chiang Kai-shek heads the government. In the event of the overthrow or death of Chiang, factional strife would be intensified and a period of

instability would probably follow before another Nationalist leader could establish his authority.

5. The weight of military, propaganda, and other indications suggests that the Chinese Communists do not plan an early attack against Taiwan.
6. Irrespective of developments in Korea we believe that the Chinese Communists will not make either a limited surprise attack or a large-scale attack against Taiwan during the period of this estimate provided that present US policy with respect to Taiwan continues.
7. During the period of this estimate, the Communists will probably conduct reconnaissance, nuisance, or destruction raids (either by air or sea) against Nationalist-held offshore islands and may assault and capture some of these islands. However, we do not believe such actions will necessarily indicate an imminent invasion of Taiwan.
8. Over the longer term, we believe that the Chinese Communists will attempt to secure control over Taiwan by diplomatic means if possible; otherwise by military action when a favorable opportunity presents itself. So long as the relative military strength of the United States and the Communists in the Far East remains substantially unchanged, and so long as US policy with respect to Taiwan remains unchanged, we believe the Chinese Communists will not hazard a military attack on Taiwan.

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March 28, 1952

MEMORANDUM FOR FILE ON FUTURE OF FORMOSA

Speaking in the debate on external affairs in the House of Commons on March 27, Mr. Stewart (Winnipeg North) said (p. 850, coln. 2):

I am convinced we are not going to achieve any political settlement in Korea until we have a peaceful settlement with China. And when I speak of peace I regard it in the same way as Litvinoff did at the league of nations a number of years ago when he said that peace is indivisible. We cannot be at peace with China in Korea and at war with China in Formosa.

~~Mr. Noma to see~~
file
R. L. ROGERS
MAR 28 1952

This is a very good
argument. LR

Stewart is C.F.

FILE COPY

A&FE/RLRogers/cc

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Ottawa, March 26, 1952.

Sir,

The Minister has asked me to thank you for your letter of March 22 concerning the future of Formosa. I should like to assure you that we have in mind the line of approach you have suggested and that it will be among the alternative solutions considered when the time comes to deal with Formosa.

Yours sincerely,

WILLIAM G. STARK

for the Under-Secretary of State
for External Affairs.

Mr. Herbert T. Owens,
515 Oak Avenue,
St. Lambert, Que.

Legal/G.B.Summers/gi

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Jir
R. L. ROGERS

MAR 26 1952

March 25, 1952.

FORMOSA

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The Island of Formosa was ceded to Japan by China in 1895.

2. The Cairo Declaration by the representatives of the United States, the United Kingdom and China in 1943 promised the restoration of Formosa to China. This promise was confirmed in the Potsdam Declaration by the United States, the United Kingdom and China, subsequently adhered to by the Union of Soviet Socialist Republics in 1945. The Japanese instrument of surrender also signed in 1945 was based on the Potsdam Declaration and provided that the terms of the Proclamation should be carried out.

3. On October 24, 1945, as a result of an order issued on the basis of consultation and agreement between the Allied Powers concerned, the Japanese forces in Formosa surrendered to Chiang Kai-Shek. Thereupon with the consent of the Allied Powers administration of Formosa was undertaken by the Government of the Republic of China.

4. De facto administration of Formosa by the Chinese Nationalist Government has been acquiesced in by the Canadian Government through the acceptance of a Note from the Nationalist Government in 1946 stating that Formosa was restored to Chinese sovereignty and that Formosans had regained their Chinese citizenship; through agreement that the commercial modus vivendi with China should cover Formosa; and through various administrative actions.

5. In an Aide Memoire dated April 12, 1951, which was handed to the British Ambassador in Washington by Mr. Dulles, the following is stated:

" As regards Formosa it is noted that the declaration of Cairo provided, not for the cession of Formosa "to China", but that "Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China". In view of present differences of opinion as to what now constitutes the "Republic of China" and as to the bearing upon the Cairo Declaration of intervening events, it is the view of the Government of the United States that Japan, by the peace treaty, should renounce all rights, titles and claims to Formosa and the Pescadores, but that Japan should not itself be brought into the highly controversial question of what now is or should be the status of Formosa and the Pescadores, nor should the treaty be looked upon as the vehicle for the solution of this question."

On May 11, 1951, in a statement made to the House of Commons with regard to Formosa, Mr. Morrison said:

" The question of Formosa will however come up in the context of the Japanese Peace Treaty. Our aim here is to secure an early peace treaty without allowing the difficult issue of Formosa to delay its negotiation and without attempting in the treaty to find a final solution to an issue which must be given careful consideration later in the general context of the Far Eastern situation."

6. It is in line with these views that the Treaty states that Japan renounces all right, title and claim to Formosa, but is otherwise silent as to its disposition.

7. The following is an extract from a reply which the Foreign Office gave to a request for information as to the interpretation which they would put upon Article 2 of the Japanese Peace Treaty:

"With regard to Formosa, the Pescadores and South Sakhalin.....Japan renounces sovereignty over these territories. But the sovereignty over them is not vested so far as the Treaty is concerned in any other power. However that sovereignty is capable of becoming so vested by some other means than the Treaty. These territories are in fact already effectively controlled by certain other powers, and if this goes on, as is to be expected, they would in any event be able in due course to assert a good title by reason of such occupation. Indeed Japan, having once renounced sovereignty, there would in theory appear to be no reason why these states should not proclaim their own sovereignty over the territories in question by annexation or by virtue of effective occupation. Whether they will do so in express terms or not, hardly seems to be very material".

8. The Treaty therefore settles that Japan is deprived of Formosa. It appears to be also clear that the State of China acquires Formosa. The right of China to Formosa could not be denied by those powers which signed the Potsdam Declaration, whether or not they have signed the Japanese Peace Treaty. In addition a Chinese Government has been in effective occupation of Formosa since 1945.

9. Governments which recognize the Nationalist Government of China could not in the light of the foregoing deny the right of that Government to control Formosa or claim to evict that Government by force. On the other hand, as a rival government of China which is recognized by a number of states is in existence the question as to the final disposition of Formosa cannot be said to be determined.

10 The future of Formosa may perhaps at some stage be considered by the United Nations if the competing claims of the Nationalist Government and the Communist Government were brought before it. A question might also arise if the Russian Government claimed the right to intervene in the disposition of Formosa as a country at war with Japan which has not signed the Peace Treaty.

11. Under Article 107 of the Charter it is provided:

"Nothing in the present charter shall invalidate or preclude action in relation to any state which during the Second World War has been an enemy of any signatory to the present charter taken or authorized as a result of that war by the governments having responsibility for such action".

12. In connection with the consideration of the Korean question by the General Assembly at its Second Session it was argued by the Soviet delegation that consideration was barred by Article 107 which was designed to leave to the victors of the war the determination of the terms of peace and the taking of necessary control measures to implement the peace. The position taken by the General Assembly was that Article 107 was permissive and did not bar General Assembly action.

515 Oak Avenue,
St. Lambert, Que.,
March 22, 1952.

Hon. Lester B. Pearson,
Minister of External Affairs,
House of Commons,
Ottawa, Ont.

Dear Sir:

I wish to make a few comments on the recent debate, in regard to the question of Formosa. Having lived in Korea for about fifteen years, when that country and Formosa were both part of the Japanese Empire, I am somewhat familiar with Pacific affairs, and I may say that I have had dealings with your Department in recent years on various matters and have some acquaintance with a few of your personnel.

The present status of Formosa is that she is to be handed back to China when the time is judged expedient; and the matter of her return was decided at Cairo, as I recall, some years ago during World War II. The reason that Formosa was to revert to China is that the bulk of her population is of Chinese origin, and it was assumed that that was the proper place for her to go.

However, it should be remembered that Formosa became part of the Japanese Empire in 1895, or shortly thereafter, and consequently the present generation of Formosans was brought up under Japanese tutelage, and has had the advantage, such as it was, of living under the conditions of the pax Japonica for nearly half a century.

For the past few years Formosa has been the haven of the Chinese Nationalists, and that may have influenced the people there to become part of the Chinese community holding the Nationalist view of China. I think that it was fortunate that Formosa had not been handed over to China, for she has been a refuge for the Nationalist element, and has been spared the years of turmoil that the Chinese mainland has experienced, and has had the advantage of some United Nations' supervision in the interim.

But the basic thing I have in mind is that there is no provision, when the time comes to dispose of Formosa, for the wishes of the people of Formosa to be ascertained as to whether her future is to be that of a Province of China, or whether Formosa wishes to be an independent republic. Half a century is enough to wean a people to another state of mind -- and Formosa could well decide whether she can go it alone or be part of the turmoil of mainland China.

Having lived in Korea, and knowing that Korea was made part of the Japanese Empire without her consent being asked, I would hate to see Formosa in a similar fix. In fact, it is rather a survival of the old imperialism for the United Nations to hand Formosa over to China, like a roast of meat over the counter, without ascertaining the desires of the people most concerned. I raise this question for your consideration in due course.

Very sincerely,

H. Owens HERBERT T. OWENS.

25-2-2 (cc)

H.H. Carter/Far Eastern/oh

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MINISTER'S STATEMENT ON FORMOSA IN THE HOUSE

ON MARCH 21, 1952.

"It was suggested by the leader of the opposition that in those words I gave the impression that we were now engaged in the defence of Formosa, something which he said he was unaware of. In reply to that, Mr. Speaker, I would only say that the United States government has stated more than once that, arising out of United Nations operations in Korea and for the safety and success of those operations, the United States navy will prevent Chinese communists from attacking Formosa. There is nothing new in our association with that policy, because we have accepted it. I have said previously in the house, and no exception was taken to it, that we should neutralize Formosa while the fighting was going on in Korea.

"The fourth point which is supposed to embody new policy is in the following words:

' . . . we should make it clear, '-

"I said in New York.

'--that we do not intend to use our own forces to restore to China the regime which is now in Formosa after being driven off the mainland.

"According to the leader of the opposition, that means that if aggression should stop in Korea, then this policy of keeping the Chinese communists by force off Formosa would change. In fact, I said exactly the same thing on May 7, 1951, in this house when I made quite a long statement on Formosa, and during which I included these words, as reported at page 2756 of Hansard:

'I believe that this island should be neutralized while fighting is going on in Korea.'

"I then went on to say this:

'It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed

within the context of the United Nations charter.'

"There was therefore certainly nothing new in that part of the statement I made in New York. Indeed, there was nothing new in that statement at all in so far as Canadian foreign policy is concerned.

"We think it to be wiser to hold open the question as to what will be the best solution for Formosa when the aggression ends in Korea. In that respect we subscribe to the principle laid down by the United States Secretary of State before a congressional committee on June 1, 1951, when Mr. Acheson said:

'The president has stated that we are not prejudicing the future of Formosa. That is a matter which should be decided, he said, either in connection with the Japanese peace treaty---'

"Where, incidentally, it was not decided.

'---or by the United Nations, and the view which has been taken more recently is that the United Nations is the appropriate place where it should ultimately be decided.'"

Far Eastern Division/H.H.Carter/M.D.

MINISTER'S STATEMENT ON FORMOSA IN THE HOUSE

ON May 14, 1951.

"The policy of the Government of Canada in regard to these matters has been made clear more than once in this House, outside this House and at the United Nations. . . .I would repeat. . .because I think it describes in a nutshell our policies in regard to these matters - the last paragraph of the statement of principles adopted by fifty-two members of the United Nations, including the United States of America. It deals with the Far East problem in general, Formosa and recognition in particular. We are bound by this paragraph because we accepted this statement of principles. The last paragraph read as follows:

'As soon as agreement has been reached on a cease-fire, the General Assembly -

That is, the General Assembly of the United Nations

---shall set up an appropriate body which shall include representatives of the Governments of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics, and the People's Republic of China, with a view to the achievement of a settlement, in conformity with existing international obligations and the provisions of the United Nations Charter, of Far Eastern problems, including among others those of Formosa (Taiwan) and of representation of China in the United Nations' ".

Far Eastern Division/H.H. Carter/M.D.

MINISTER'S STATEMENT ON FORMOSA IN THE HOUSE

ON May 7, 1951.

"May I now say just a word in conclusion. . . about our views. . . on the situation in Formosa. I believe that this island should be neutralized while fighting is going on in Korea. I have expressed that view previously. Certainly the United States of America cannot be expected to permit the Peking government to take over Formosa while that government is defying, and fighting against, the United Nations. It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed within the context of the United Nations Charter. Any other course would, I think, result in implacable hostility between the United Nations and whatever government was in control of China at the time the war ended.

"Until that war ends, however, and China abandons her attack against the United Nations in Korea, there can be, I think, no question of even discussing whether Formosa should be handed over to the Peking regime; at least that is our view. The same, I think, applies to recognition of that regime in Peking. There can be no question even of considering it while the Chinese defy the United Nations in Korea and fight against our forces there.

"Nor do we think it realistic or right, while communist China is fighting in Korea, to include the Peking government in the current discussions of a Japanese peace treaty. In this regard, as in the case of the disposition of Formosa, the decision as to who shall talk and sign for China might well, I think - and even any discussion of this matter - be postponed until the Korean war is ended".

MINISTER'S STATEMENT ON FORMOSA IN THE HOUSE

ON AUGUST 31, 1950.

"We understand the reasons for the action of the President of the United States - who has acted so boldly and wisely, if I may say so, throughout this Korean crisis - in ordering the United States fleet to prevent any attack on Formosa, and in calling upon the Chinese Nationalist Government in Formosa to cease all air and sea operations against the mainland. This action seemed to us designed simply to prevent the extension of the conflict in Korea. It was a strategic defensive decision and had, as we understood it, no political implications. We have, however, been disturbed, as I have no doubt others have been disturbed, by reports of preventive military measures taken by the Nationalist Government of China against communist concentrations along the mainland coast, as well as by statements reported to have been made by Generalissimo Chiang Kai-shek concerning United States-Chinese 'military co-operation'. We have also been disturbed by statements that seem in our minds to confuse the defence of Korea, which has been assumed by the United Nations, with the defence of Formosa, which has not; statements that have even implied - somewhat mistakenly I think - that those who wish to draw at this time a distinction between the two operations are defeatists and appeasers. So far as this government is concerned, we are concerned solely with carrying out our United Nations obligations in Korea or elsewhere. These obligations do not, as I understand them at the present time, include anything that can be interpreted as the restoration of the Nationalist Chinese Government to the mainland of China; or an intervention in Formosa."

A. J. P. / NAW
March 18, 1952.

Original to the Minutes

50056-A-40	
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The Disposition of Formosa

Mr. Rogers
to see file

When he appeared on June 1, 1951, before a Congressional Committee that investigated the dismissal of General MacArthur, Mr. Dean Acheson outlined the United States policy on Formosa in these words:

"The President has stated that we are not prejudicing the future of Formosa. That is a matter which should be decided, he said, either in connection with the Japanese peace treaty or by the United Nations, and the view which has been taken more recently is that the United Nations is the appropriate place where it should ultimately be decided."

File
ROGERS
MAR 20 1952

Later on, after questioning on the subject of Formosa, he also said:

"There may be a whole lot of situations which nobody has contemplated and will not arise in which you cannot use the expression "the United States will not permit it".

Mr. Pearson
asked that these
facts be extracted
1952

ORIGINAL

MESSAGE FORM

INCOMING

File
R. L. ROGERS
 MAR 18 1952

File No.		
50056-A-40		
27	27	

Security Classification
UNCLASSIFIED

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Mr. Rogers
 MAR 18 1952

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
 TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

System EN CLAIR	No. WA-739	Date: March 18, 1952
Priority IMPORTANT	Reference: Your EX-581 of March 17th.	
Departmental Circulation MINISTER UNDR/SEC D/UNDR/SEC A/UNDR SEC'S.	Subject: Formosa.	
Done _____ Date _____	<p>1. Mr. Acheson's testimony at the MacArthur hearings is the most recent detailed public examination of United States policy with regard to Formosa. According to the China Office of the State Department the latest authoritative public statement on policy towards Formosa appears to be that made by Mr. Dean Rusk, at the time Assistant Secretary of State for Far Eastern Affairs, in the course of his address on "Current Problems of Far Eastern Policy" to the Seattle World Affairs Council on Tuesday, November 6th (see our letter No. 3229 of November 8, 1951).</p> <p>2. Mr. Rusk said "As we turn to Formosa and the problem of China, we observe that there is a wide range of agreement that the Island of Formosa should not be allowed to fall into hostile hands for exploitation against the peace of the Pacific, that we should continue to recognize the National Government of China and support its claim to the Chinese seat in the United Nations, that we should afford military and economic assistance to Formosa to enable it to strengthen its own defenses and to provide a more adequate economic basis for the military and economic requirements of the Island, and that we should encourage measures on the Island which will make our assistance as effective as possible. As a practical result of these policies, the Island has not been attacked, there has been some economic improvement despite the enormous burdens which fall upon the resources of the Island, the National Government continues to be recognized by a great majority of the governments of the world, and, after more than 85 votes taken in more than 45 international organizations, the National Government continues to occupy the Chinese seat in all of them".</p>	
References		
Date _____		

A&FE/RLRogers/cc
50056-A-40

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File
R. L. ROGERS
MAR 20 1952

March 18, 1952.

seen by the minister
the minister

MEMORANDUM TO MR. PISK

United States Position on Formosa

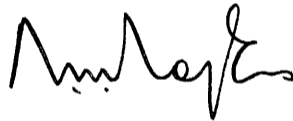
Yesterday you asked for the latest public statement of the United States position on the future of Formosa. We have checked with the Embassy in Washington who have confirmed that Mr. Acheson's testimony at the MacArthur hearings is the most recent detailed public examination of this phase of United States policy. In case you would like to refresh your memory, I enclose a copy of a memorandum of June 25, 1951 which analyses Mr. Acheson's testimony. The portion on Formosa is in paragraphs 6. to 12. on pages 3 to 6. — *I have marked passages on pp. 4, 5, 6*

According to the Chinese office of the State Department, the latest authoritative public statement on policy towards Formosa appears to be that made by Mr. Dean Rusk, at that time Assistant Secretary of State for Far Eastern Affairs, in the course of his address on "Current Problems of Far Eastern Policy" at the Seattle World Affairs Council on November 6, 1951. At that time, Mr. Rusk said:

"As we turn to Formosa and the problem of China, we observe that there is a wide range of agreement that the island of Formosa should not be allowed to fall into hostile hands for exploitation against the peace of the Pacific, that we should continue to recognize the National Government of China and support its claim to the Chinese seat in the United Nations, that we should afford military and economic

This does not help you - on eventual political settlement of the future of Formosa
CSGP

assistance to Formosa to enable it to strengthen its own defenses and to provide a more adequate economic basis for the military and economic requirements of the island, and that we should encourage measures on the island which will make our assistance as effective as possible. As a practical result of these policies, the island has not been attacked, there has been some economic improvement despite the enormous burdens which fall upon the resources of the island, the National Government continues to be recognized by a great majority of the governments of the world, and, after more than 85 votes taken in more than 45 international organizations, the National Government continues to occupy the Chinese seat in all of them."



American and Far Eastern Division.

AN ANALYSIS OF THE EXAMINATION OF
MR. DEAN ACHESON BY THE COMMITTEES ON THE
ARMED SERVICES AND FOREIGN RELATIONS

I. Representation of China in the United Nations

1. On June 1st Mr. Acheson described the action taken by the United States until that time to prevent the seating of representatives of the Central People's Government in organs of the United Nations. He stated:

There are forty-six organizations of the United Nations and its affiliated special agencies to which the Chinese might be admitted if that action was taken by these bodies. The question has come up seventy-seven times in these various forty-six bodies. The vote has been against the admission seventy-six out of seventy-seven.

In the case of the Universal Postal Union in the year 1950, the Chinese Communists, the United States dissenting, were seated for the purpose of that meeting, but that vote was reversed in the meeting in the year 1951.

2. At the same time Mr. Acheson said:

The attitude of the government ... was expressed by General Marshall that we cannot allow governments that want to get into the United Nations to shoot their way in.

Asked how he squared this position with United States support for the fifth principle of January 11, 1951, which said that "as soon as an agreement has been reached on a cease-fire, the General Assembly shall set up an appropriate body ... with a view to the achievement of a settlement ... of Far Eastern problems, including, among others, those of Formosa (Taiwan) and of representation of China in the United Nations", Mr. Acheson said:

We take the position that these questions are not a part of the settlement of the Korean difficulty. We cannot prevent other people from talking about them. If they do, we will state our point of view, which we have stated many times very strongly.

If, as and when the war in Korea is stopped and the defiance of the U.N. is stopped, then these two questions can be discussed in U.N. channels. We will continue to take our point of view and put it forward as persuasively and strongly as we can. Others may take other points of view, but it is a matter which can be discussed. It can't be discussed as long as you fight.

3. The question was raised on June 5, whether it would not be possible to prevent the seating of representatives of the Central People's Government through a legalistic argument based on the language of

the Charter of the United Nations, which says that "the Republic of China" is a permanent member of the United Nations. The argument was that the "Republic of China" is not the same as the "People's Republic of China". Mr. Acheson said that this argument "could be made" but went on to state what might be termed his middle position on Chinese representation in the United Nations. He said:

... There are forty-six organs of the United Nations. The important attitude which can be taken here is one of leadership, and in taking that attitude it is necessary to convince other nations and have other nations feel that they wish to act with the United States in taking the view that the Communists cannot shoot their way into the U.N.

If you can present that great major thought powerfully to your associates in the U.N. then you can get them to vote with you on preventing this thing from happening, and you have to have them feel that way and believe that way to make this whole effort successful on account of the fact that there are forty-five organizations in the U.N., where one power doesn't have the decisive voice.

Therefore, it would accomplish very little if, through lack of persuasive leadership, the Chinese Communists were in forty-five parts of the U.N. and were not in one part.

When it comes to that one part, the same arguments prevail to prevent the action of letting the Chinese Communists in. In other words, they do not get in unless there is a majority of seven out of the eleven that want them in.

The way to prevent that happening is to do what I have suggested and to present the great broad reasons why this should not be done.

That has happened and it has been successful and it will be successful in my judgment. The only time when this question of the significance of our vote - because we shall vote against this in all of these organizations - any time when the significance of our vote in the Security Council would arise would be if we were in the minority of four or less.

We don't expect to be in the minority. We expect to be in the majority, and I think we can stay there as long as we give this good strong leadership to it.

4. Mr. Acheson then went on to explain the effect of a negative vote in the forty-sixth organ, the Security Council, as follows:

If we are in a minority, then the point arises as to what to do about that situation. I should think before that arose, and if one believed that that situation was going to arise, the thing to do would be to ask the World Court to determine what the significance of the vote of a permanent member on this matter is.

If the World Court would decide that that is a veto, then that settles the matter in the Security Council, you have to get some decision of that sort because if you are in a minority of four or less on the main question, you will be in a minority of four or less on the subsidiary question of whether ... an adverse vote is or isn't a veto.

The Senators were much more taken by the possibility of legal action than they were by the possibility of winning their point by influence and they pressed Mr. Acheson to clarify his position with the result that the emphasis has been shifted almost entirely from keeping the Central People's Government out of the United Nations as a whole by influence on to keeping them out of the Security Council by attempting to veto their entry. On June 6th, he was led again to emphasize the point that it might be advisable to ask the opinion of the World Court before the negative vote was cast to see if it would constitute a veto. Two days later, on the 8th, he was asked whether the Soviet Union would respect a decision of the World Court if the decision was that a veto had been cast, and he replied that it would have to, because the other nations in the United Nations would respect the ruling.

5. On the question of Chinese representation in the United Nations it would be fair to say that Mr. Acheson has lost his ability to manoeuvre. He has been required to give a categorical assurance that the United States will vote against the seating of the Central People's Government in any of the agencies of the United Nations, that it will attempt to influence other people also to vote against it and that it will vote against the Central People's Government in the Security Council even if that action constitutes a veto.

II. Disposition of Formosa

6. On the first day of his testimony, Mr. Acheson outlined the four elements which had made up United States policy toward Formosa from October, 1948, to June 25, 1950, as follows:

... First of all ... Formosa had strategic importance so far as the United States was concerned.

The second point was that that strategic importance related to keeping Formosa out of the hands of a power which would be hostile to the United States, and did not concern occupying or using Formosa by the United States.

The third element of the policy ... was that in the existing condition, and strength of the armed forces of the United States, it was not possible to commit or promise to commit any ... armed forces of the United States, to the defense of Formosa.

The next element of the policy was that the State Department should, to the best of its ability, by diplomatic means, try to keep Formosa from falling into hands which would be hostile to us.

Present policy he outlined as:

N.B.

The President has stated that we are not prejudicing the future of Formosa. That is a matter which should be decided, he said, either in connection with the Japanese peace treaty or by the United Nations, and the view which has been taken more recently is that the United Nations is the appropriate place where it should ultimately be decided.

He admitted that this was a departure from the Cairo Declaration when he said:

... The statement which was made at Cairo was that Formosa should be returned to the Republic of China. That now creates some problems, and the President said that the future of the island should be considered in the United Nations.

7. Mr. Acheson at first said that the United States was determined to prevent forcible transfer of Formosa to Communist control and that United States forces would be used to counter any attacks on the island, but he was unwilling to say whether ground forces would be used in addition to the Seventh Fleet:

Q.--You consider it a military question as to how much further we go beyond the use of the Seventh Fleet in connection with preventing Formosa from falling by force into the Chinese Communists' hands?

A.--Yes, sir.

8. Mr. Acheson's emphasis on preventing forceful attempts by the Chinese Communists to seize the island was considered by some members of the Committee to indicate that he would be willing to allow the island to be transferred to Communist control through negotiations. After

extensive questioning, he was led to make the following comprehensive statement of current United States policy:

What we have decided in the Government is made public and is well known, that the armed forces of the United States are standing by to prevent any attack on the island, to prevent the fall of the island so far as these forces can do so.

It has been made clear that we think the island in the hands of a power hostile to the United States is something to be prevented so far as we can prevent that. Force is one way to prevent it if the island is attacked. Diplomatic and other arrangements are ways that you prevent it if force is not used.

There may be a whole lot of situations which nobody has contemplated and will not arise in which you cannot use the expression "the United States will not permit it".

9. As in the case of representation of China in the United Nations, Mr. Acheson was asked how he squared the position he had taken on Formosa with United States support for the fifth principle of January 11, 1951 and he covered it in the same reply (cf. paragraph 2).

10. The following exchange took place between Senator Knowland and Mr. Acheson on June 7 on the question of some sort of United Nations trusteeship for Formosa:

Q.--Would the Government of the United States oppose the setting up of a trusteeship that was proposed over the opposition of the Republic of China on Formosa?

A.--Well, that couldn't be set up. If you have an army on Formosa which is going to oppose the setting up of a trusteeship, then it would not be set up unless somebody goes in there with force to set it up and it would not be our purpose to go in and fight the people of Formosa in order to set up a trusteeship.

11. Mr. Acheson also made plain near the end of the hearing that the United States would insist on the consent of the Nationalist Government being obtained to any disposition of Formosa:

Q.--And is it subject to disposition if the contracting powers saw fit to do so in the Japanese peace treaty?

A.--It would not be subject to disposition without the agreement of the Chinese government which controls it.

12. As in the case of Chinese representation in the United Nations, Mr. Acheson has surrendered most if not all of his freedom to manoeuvre. He has been obliged to give a categorical assurance that the United States

will oppose the transfer of Formosa to Communist hands by force or by negotiation, to oppose trusteeship without the consent of the Nationalist Government and to oppose any disposition of the island "without the agreement of the Chinese government which controls it". Unless this last expression is intended to provide a way out in case the Communists have succeeded in gaining control of the island by force, Mr. Acheson must have intended to give the Nationalist government a veto on any negotiations for the disposal of the island. How this position will be made to agree with the policy of having the future of the island decided by the United Nations (which could reasonably vote either for a trusteeship or for turning the island over to the Central People's Government as part of some general pacification) is not clear.

III. Recognition of the Central People's Government

13. Mr. Acheson stated categorically that the United States government does not favour recognition of the Central People's Government:

... We are not recognizing the Communist authority in China. We are not contemplating doing it. We are opposed to it.

Under questioning, he stated that he did not think negotiations leading to a cease-fire or encompassing a larger settlement would either constitute or lead to recognition of the Central People's Government:

... When you talk about recognizing a government, that means that a government accepts an authority some way in another country as the official government of that country with whom it will conduct diplomatic relations.

When you are talking about dealing with this authority in China for the purpose of bringing the war in Korea to an end, what you are really saying is that we know that those authorities exist and we will deal with them for the purpose of bringing about a conclusion in which we are very much interested. Now those are wholly different things.

Q.--Indeed, but we propose to go further and deal on a basis of future continuing and forcible settlements, and that would require the strength and power of a recognized government entity in my judgment, and ... leaving out the technicalities of recognition, that would in fact be a recognition of the Red Government of China, which would force us into a most difficult position if our policy is to be followed as we understand it to be now.

A.--I don't agree with that, sir.

He reiterated his stand a few minutes later under questioning by Senator Kefauver:

Q.--And it is not contemplated that any cease-fire or any agreement reached would tend to involve the matter of recognition of the Peking regime, is that the way I understand your testimony, Mr. Secretary?

A.--That is correct.

14. This questioning touched upon the problem of how, if the United States did not intend to recognize the Central People's Government it could hope to get along with it, but on the only other occasion when this problem came close to exploration both sides quickly skated away from it again. The following exchange took place between Senator Wiley and Mr. Acheson on June 4th:

Q.--If the present Chinese Communist regime is secure, how does the State Department propose to deal with it?

A.--I am not quite sure that I understand your question. Do you mean do we propose to deal with them or don't we propose?

Q.--You said they are secure, and I presume if they are and there is not much hope at the moment of upsetting them, what is our program so far as they are concerned? How are we going to --

A.--Well, our attitude toward it is that this is an authority on the mainland of China which we did not recognize as the legal government of China.

You asked me whether, from a physical point of view, there is any force there which looks as though it were threatening it.

There is not, as I see it. So far as the Korean situation is concerned, I expressed, on Friday or Saturday, the nature of any dealing which would take place between the United Nations or the United States, or both, and those forces for the purposes of bringing this war in Korea to an end.

Having created this dilemma, the only indication Mr. Acheson gave as to the way in which the United States Government might hope to escape was in the following further exchange with Senator Wiley on June 8:

... I have no information having to do with the growth of Titoism in China. Now, are you asking me about my background knowledge of the Chinese people?

Q.--Any information you have as to whether or not there are possibilities, that Mao might pull something, à la Tito?

A.--I have no information on that subject whatever, sir.

So far as the Chinese people are concerned, I think we know that throughout their history they have been very hostile to foreign domination, and that they are a very nationalistic, and, to a considerable extent, an individualist people.

15. On the question of United States recognition of the Central People's Government, again the State Department has lost its freedom of manoeuvre. The Committee has successfully pinned Mr. Acheson down to a promise not to contemplate recognizing the Central People's Government even though there is no hope that any alternative government may be established on the mainland within the foreseeable future.

IV. United States Aims in Korea

16. Mr. Acheson stated the aims of the United Nations, and by implication of the United States, in Korea as follows:

... The military objectives of the United Nations forces in Korea are to repel the armed attack which took place against the Republic of Korea and to restore peace and security in the area. That is what they are trying to do with military force.

Q.--Could I ask you right there - when you say "the area," that is the trouble. Do you mean the area below the Thirty-eighth Parallel which is the South Korean part of it, or the entire Korean area?

A.--If you are going to restore peace and security, you have got to restore it in the area. You have not restored peace and security if there are people on the other side coming over and fighting you. You have to try and stop that condition of fighting and war that is going on.

Now, the long-term political objective of the United Nations in Korea has been to establish a free, independent, and democratic Korea.

That they have been trying to do since 1948. The United States has been in favour of that result since 1945. The forces were not put into Korea to do that when they went in in June.

17. This led fairly easily into the matter of stopping the war at the Thirty-eighth Parallel:

Q.--Well, does that suggest the possibility of a cease-fire at or near the Thirtieth-eighth Parallel?

A.--If you could have a real settlement, that would accomplish the military purposes in Korea. That is if the aggression would end and you had reliable assurances that it would not be resumed, then you could return to a peacetime status, and we would hope gradually to remove the troops from Korea, both Chinese troops and United Nations troops. It would take some little time to do that because it is a very disturbed condition now, but that would be the objective.

Q.--How would you visualize the prevention of the same thing happening over again that happened when the North Koreans attacked the South Koreans, if we stop somewhere in the neighbourhood of where we are again?

A.--You would have to make the best arrangements that could be made, and I think that if, as a result of this fighting in Korea, it was determined that the Chinese could not succeed in this, then the desire to start this up again probably wouldn't recur.

If it did, of course, the most serious consequences would ensue for everybody including China. Therefore, if you once get the conviction on the part of the Chinese that they cannot, they just haven't got the strength to do what they want from the military point of view, I think that you have a real possibility of working out a stable situation.

18. Mr. Asheson added the following at the end of a definition of United States aims in Korea similar to the foregoing:

Neither ~~the~~ Administration nor its critics will purchase a settlement by allowing the aggressors to profit by their wrong. Neither believes that the destruction or unconditional surrender of the aggressor is necessary to attain the goal.

He also said that he was against enlarging the war:

It is enough to say that it is the judgment of the President's military advisers that the proposed enlargement of our military action would not exercise a prompt and decisive effect in bringing the hostilities to an end. To this judgment there must be added a recognition of the grave risks and other disadvantages of this alternative course.

Against the dubious advantages of spreading the war in an initially

limited manner to the mainland of China, there must be measured the risk of a general war with China, the risk of Soviet intervention, and of World War III, as well as the probable effects upon the solidarity of the free world coalition.

19. After he had defined United States aims in the foregoing terms, Mr. Acheson was challenged on the effects of a stalemate in the neighbourhood of the Thirty-eighth Parallel. He declined to describe the situation he envisaged as a stalemate and went on to say:

... The word "stalemate," I think, is an unpleasant word. What I am talking about I would rather characterize in a different way.

What I am talking about is the defeat of the Chinese effort, and when the Chinese know that they are defeated and have suffered as they have suffered in the last two attacks, then I think their purpose changes and as their purpose changes, you get a possibility of a settlement.

He also thought that the casualties being suffered in Korea would be justified by such a policy:

... If you accomplish what you started out to do, I don't think that is synonymous with saying you stopped where you began.

We started out to do two things. One is repel the armed attack and the other is to restore peace and security in the area.

Now, if we do these two things, we have done what we started out to do, and I should think that is success.

20. Mr. Acheson conceded that a negotiated settlement in Korea would probably require that United Nations troops be left there for some time:

Q.--And isn't it true, too, that if we were to have some kind of peace or some kind of armistice with the Reds in Korea, that it would necessitate, in view of our knowledge of Red tactics and the way they have acted in the past, it would necessitate a large standing force of the United Nations to remain in Southern Korea in order to stabilize it, would it not?

A.--It would require troops there for some time, but if the result of the fighting was really to bring a conviction on the other side that they could not

achieve the purpose of driving the U.N. into the sea, then you might have a really stabilized settlement, so that all foreign troops could be withdrawn after a time.

21. On this topic Mr. Acheson held his ground quite well. He is still free to attempt to achieve a settlement on the basis of the status quo ante bellum; he has established his continued opposition to an extension of the war, and he has dealt with the argument that he is banking on a stalemate.

V. Additional Measures in Korea

22. Mr. Acheson several times indicated that he was not satisfied with the economic measures which have been taken against China so far. Typical of his statements on this subject is the following:

By the resolution of the 18th, the United Nations has established economic controls which do not amount to a complete cessation of all trade. They go a very considerable distance, and we are very glad that they have taken that step. We will continue to extend the area of the restrictions.

23. He made it plain in dealing with suggestions that a naval blockade of China would be appropriate, that economic measures were those on which the United States is at the present time principally relying:

... We have not taken up in the United Nations the imposition of a naval blockade. It has been the view of all elements in our government that the first effort we should make was in connection with the economic blockade. We have made those efforts, and I think have had considerable success.

I think it is clear that we cannot get nations to go further in regard to a naval blockade than they are willing to go on an economic blockade, since it is a more drastic sanction.

We have always felt that if we can get a very effective economic blockade, a naval blockade becomes much less important.

Again the next day Mr. Acheson said:

Therefore, it seems almost self-evident that they would not impose a naval blockade. I think it is the unanimous agreement of the military authorities and ourselves that the wise and most profitable course to pursue is to strengthen the economic restrictions rather than attempt to get something which could not be done.

Mr. Acheson maintained his position on this point again on June 5:

As I said, a naval blockade at this time has not been recommended by the Joint Chiefs of Staff. We are not pushing it in the United Nations because we believe we are much more likely to get our results by increasing the economic restrictions rather than asking nations to go further in a military way than they are prepared to go in the economic way.

24. Mr. Acheson was also obliged to deal with the suggestion of a unilateral naval blockade by the United States and did so as follows in an exchange with Senator Johnson:

Q.--In your opinion, what would be the effect upon our Allies in the United Nations if we should unilaterally conclude to go it alone and put in a naval blockade on the Chinese coast?

A.--I think it would be very bad, sir.

Q.--Would you care to elaborate on that?

A.--Well, what it would amount to, as I think Admiral Sherman pointed out, is that the United States then would be undertaking itself to stop ships of its Allies and of all other people without any agreement at all that this was a wise course, and in fact, with the belief on their part that it was an unwise course. I am afraid that would create very great friction indeed.

25. Mr. Acheson gave his main reasons for opposition to bombing Manchuria as follows:

The reasons that we are opposed to the bombing of Manchuria, in accordance with recommendations which have been made to this Committee by others, is that to do so would, we believe, increase - and materially increase - the risk of general war in the Far East and general war throughout the world.

Now that is the first basic reason. The whole effort of our policy is to prevent war and not have it occur. We think that this risk is not at all balanced by any gain from this operation.

Now, so far as our Allies are concerned, they believe this just as much as we believe it, and their immediate danger is much greater than ours, because if general war broke out, they would be in a most exposed and dangerous position.

Therefore, we believe also that their views, which are our views, and which are strongly held, are most important in this matter.

I think they are quite willing, if war is forced upon all of us, despite the very best efforts of all of us to prevent it, to take all the suffering that that brings on them. But they don't want that terrible catastrophe to fall on them unnecessarily or by reason of some provocation on our part. It is for that reason that we believe this is so unwise.

Questioning by Senator Morse brought out the following additional reason:

Q.--Is it, therefore, fair to say that another reason for our government being opposed to MacArthur's recommendation for the extension of the war on the mainland of China was the great danger that his program would involve bombing of the Manchurian railroad, which would greatly increase the risk of Russia coming into war at that point?

A.--Yes, sir.

26. Mr. Acheson summarised his position again on June 5 in the following terms:

I think I can sum it up by saying that I regret that I cannot agree with you that to undertake air activity against Manchuria would not produce the gravest risk of extension of this war throughout the Far East and very possibly throughout the world. A catastrophe of that sort would be so terrible for our own country and for all those associated with us that we cannot undertake that very grave risk.

27. Further minor problems in connection with additional measures in Korea were also dealt with. Asked why the State Department had supported the decision that Chinese Nationalist troops should not be used in Korea, Mr. Acheson explained his position as follows:

We are committed to see that that island Formosa does not fall into hostile hands and to use military force to bring about that result. We cannot therefore believe that it is wise in any way to weaken or diminish the forces on Formosa. It is not altogether an easy operation to assure that Formosa will not fall merely by the use of the fleet. It is altogether possible that despite the efforts of the fleet landings can be made. Those might have very serious results on Formosa.

To remove troops to fight in Korea would mean removing the best troops and the best-armed troops, otherwise they

would be no good in Korea, and we think it would be a very disadvantageous thing for the United States to do.

The second reason that we objected to it is that it raises very serious complications with other nations who are fighting in Korea and who do not recognize the Nationalist Government and believe that that would increase the opposition to them of the Chinese Communists.

Mr. Acheson also made it plain that the United States government does not intend to use Japanese troops in Korea.

28, Mr. Acheson, in the last half hour of his testimony on June 9th, was questioned as to why the United States had not declared war in Korea. This exchange between Senator Cain and Mr. Acheson brought out the anomaly of not recognizing the Central People's Government:

Q.--Permit me to ask you this, Mr. Secretary. ... If we were fighting the Red Chinese and the North Koreans by ourselves in Korea, is it not logical to assume that America would months ago have declared war against our enemies?

A.--I do not think so. You immediately have a problem that you are in a state of peace with the Government of China. You wouldn't doubt that, would you?

We are in a state of profound peace with the Government of China, and therefore it would be somewhat anomalous to declare war against China.

Q.--You mean we are in a state of peace with the Chinese Nationalist Government?

A.--That is what we recognize as the Government of China.

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A.--We are not going to declare war against China because the Government of China which we recognize is not at war with us and, as you say, is our ally; therefore, this form that you are talking about of declaring war presents far more problems than it would solve.

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Q.--One of your reasons for opposing a declaration of war by the Congress is that we have, interestingly enough, no legal government to declare it against.

A.--No, and you just asked me what possible good can come out of this, and I have said as many times as I possibly can that I can see no good that may come out of it, and a great many complications.

29. On the question of additional measures, Mr. Acheson again held his ground quite well. He stated the United States' principal reliance on economic measures and rejected, for the present at least, a naval blockade of China and bombing of Manchuria. It is true that in rejecting these two measures he tended to rely heavily upon the unwillingness of the allies of the United States but it is only fair to say that in the matter of bombing Manchuria he stated the Administration's agreement with the fears expressed by the other countries with forces in Korea.

VI. Independent Powers of the Unified Command

30. On two points the Senators were anxious to try to establish that the Unified Command (i.e. the United States Government) had the power to act without consulting its allies. They were anxious to establish the ability of the Unified Command to arrange an armistice and to order planes to engage in hot pursuit.

31. Concerning the power of the Unified Command to arrange an armistice, the following exchange took place between Senator Gillette and Mr. Acheson on June 5th:

Q.-- ... Do we have, in your interpretation, the authority to take action to close the Korean war without submitting it to the United Nations?

A.--Well, I do not know what you mean by taking action to close the Korean war.

Q.--An action to arrange an armistice, an action to arrange a peace treaty, negotiation for the cessation of hostilities - any of these actions? Do we have the right to do it without submitting it to the United Nations?

A.--I should think the Unified Command would have the right, if it wishes to, to bring about an armistice. I think it has that right.

I doubt whether the military command would undertake to work out a solution of the political problems of Korea. I don't think that is covered under the heading of command function in the military field.

I think that the United States, as the military command, would consult in the closest possible way with its colleagues in this operation before making proposals about an armistice or before accepting proposals regarding an armistice which have been put forward by the other side.

Q.--I thank you Mr. Secretary. I may say that I deplore your interpretation and repudiate it personally, but I thank you very much.

32. On hot pursuit the following exchange took place between Senator Cain and Mr. Acheson on June 7th:

A.-- ... They [our Allies] think it is beyond the authority we presently have, and if we want to do it, we should go there [to the United Nations]; but they say if you do this, it will extend the war, and therefore they are against it for two reasons.

Q.--In a literal way, Mr. Secretary, you do not agree that the United States would exceed its authority if it, as the unified command of the United Nations, invoked "hot pursuit" against the enemy, do you?

A.--I have taken the view that it was within the authority of the unified command to do that.

33. On these two points in relation to the powers of the Unified Command, Mr. Acheson has retained a full measure of discretion. He has taken the position that the Unified Command is able to initiate both of these actions but he has also taken the view, with respect to an armistice at least, that it should not exercise its authority without consulting its Allies. He is therefore in a position to carry out pro forma consultations with the other countries with forces in Korea and then, if he wishes, to bow to pressure from inside the United States and exercise the authority which he says the Unified Command enjoys.

VII. Negotiations with the Enemy

34. Early in the enquiry the Senators became concerned with the problem with whom the United Nations would negotiate to bring about a cease-fire or a settlement in Korea if an opportunity offered itself. Mr. Acheson delivered himself as follows on June 2nd:

The immediate situation is that the fight is being carried on against the United Nations forces by the Communist Chinese authorities. Therefore, if anybody is going to discuss stopping the fighting, the immediate people concerned are the U.N. forces, either through the Good Offices Committee or through the United States, which is the unified command, or in some other way, and the Chinese.

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Probably the North Koreans would claim to have some voice in the matter.

It might be that the Soviet Government would feel that it should play a part, although, as these things have happened in the past, the general attitude taken by the Soviet Government in regard to its satellites is that they are free and independent nations, and one must discuss questions with them.

35. Again asked the grounds on which he would deal with the Chinese Communist authorities, Mr. Acheson answered a question by Senator Smith as follows on the same day:

Q.--I suppose that there would be a difficult problem where we are recognizing the Nationalists as the government of China. You deal with the Chinese Communists as sort of a rump government that is making all this trouble as distinguished from the Nationalists that we recognize. That is a difficult question. I don't know the answer to it.

A.--Well, you would deal with them as the authority which is fighting your troops, and if they desire to stop fighting your troops, I do not think there is any problem about dealing with them.

36. Senator Hickenlooper returned to the question again on June 6th:

Q.-- ... Now I want to make it clear what I am trying to get at. Will we negotiate with Mao Tse-tung or his field army authorities, as the field army authorities of an unauthorized government, or will we deal with political officials as well as army officials of North China of the so-called People's Republic of China?

A.--Well, I think the only thing that can throw light on that is what has been done in the past, and you know, of course, that the group set up by the United Nations, the Good Offices Committee, have attempted to get negotiations started.

Q.--With the Communist authorities in Peking, that is, the political authorities of the People's Government of China, or whatever the official name is?

A.--That is the governmental authorities. The U.N. has made attempts to get in contact with them. The government of the United States directed General MacArthur in October, I think it was, 1950, to make pronouncements toward the commanding general of the North Korean forces.

There are two instances, where in one case an attempt was made to get a communication to the commanding officer in the field and in the other case an attempt has been made by the U.N. to get in touch with

the governmental authorities in control of the forces.

37. Mr. Acheson successfully defended his freedom to enter into negotiations with both the military and the political authorities of the Central People's Government although an attempt was probably contemplated to restrict him to dealings with the field commanders in order to guard against any possibility that such negotiations might lead toward recognition of the Central People's Government. This attempt, if it was planned, was probably abandoned because of the categorical assurances he gave (which have been discussed earlier in this memorandum) that such negotiations would not constitute, nor lead to, recognition of the Central People's Government.

VIII. United States Assistance in Other Areas

38. On June 8th Senator Long raised the question of what action the United States might take in cases parallel to that in Korea in other parts of the world:

Q.--Do you agree with the MacArthur view that we should attempt to put down aggression wherever it breaks, or resist it wherever it occurs?

A.--We have opposed it, and we do everything we can to assist those who are resisting aggression.

Q.--Of course whether or not we will actually use our armed forces, as we have done in Korea, that is to be determined, based upon the circumstances?

A.--That is correct.

39. As a result of this exchange the State Department is not committed to lend military assistance to other countries in the position of Korea but at the same time those countries have not been discouraged from expecting such assistance if they put up sufficient resistance to deserve it. Similarly, the Central People's Government and the Soviet Union could not feel confident of breaking out in other areas with impunity.

IX. Conclusions

40. On the main issues in China - representation in the United Nations, recognition, the disposal of Formosa - Mr. Acheson has lost almost all his freedom of manoeuvre. He is committed to a policy of hostility and opposition to the Central People's Government without any reasonable hope of seeing an alternative government take the place of the Central People's Government within the foreseeable future.

41. On the conduct of the war in Korea, Mr. Acheson has retained most of his freedom of action: he can make peace at the 38th Parallel, resist or support moves for further sanctions against China, and negotiate with whatever enemy authorities he likes.

42. The difficulty in his position is that his lack of freedom with respect to China in large measure cancels out his freedom with respect to the war in Korea. While he is free to take advantage of an offer such as that made by Mr. Malik on Saturday last, it is difficult to see that any negotiations could lead to an effective détente in the Far East.

43. The United States government in any discussions will be unable to offer any concessions to the Chinese which will appear to them to constitute the elements of a bargain. Though, therefore, the latter, because of internal difficulties or because they may see no hope of fulfilling their announced object of driving the United Nations forces into the sea, may be willing to wind up the venture in Korea, it is improbable that a lasting settlement will be obtainable without concessions which the Administration has pledged itself to Congress not to make.

June 25, 1951.

MESSAGE FORM OUTGOING

FILE REF.	50056-A-40

SECURITY CLASSIFICATION
CONFIDENTIAL

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CANADIAN AMBASSADOR, Washington - as No.

50056-A-40
27 27

Message To Be Sent	No. <u>EX-581</u>	Date <u>March 17, 1952.</u>	For Communications Office Use Only SENT <u>MAR 17 1952</u>
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EN CLAIR
CODE
CYPHER AUTO

Degree of Priority
Important am

ORIGINATOR
Sig. [Signature]
Typed: RLRogers/cc
Div. A&FE
Local Tel. 7359

APPROVED BY
Sig. [Signature]
Typed: F. H. Norman

Is This Message Likely To Be Published
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50-P-427-100M

SUBJECT: The future of Formosa

Following from Under-Secretary, begins:

The Minister would like to be prepared in connection with ^aforthcoming debate on Foreign Affairs in the House to be able to state the latest public position taken by the United States Government on the future of Formosa. The subject was of course discussed at some length in the testimony Mr. Acheson gave on the MacArthur hearings last June.

Would you please tell me if this is the last authoritative statement on the subject. If there is some other later authoritative statement, would you please refer me to it or provide me with a copy of it.

Ends.

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RECEIVED
COMMUNICATIONS
SECTION

28

March 12, 1952.

MEMORANDUM FOR MR. REID50056-A-40
27 | 27The Editorial from "Montreal Gazette"
of March 10 on Mr. Pearson's recent
New York Speech

As a footnote to the longer memorandum which we prepared in this Division on the Far Eastern aspects of Mr. Pearson's speech I thought I might just put down one or two comments on the Gazette editorial.

2. It states at the top of its second column that the population of 6,000,000 Formosans are in many ways a distinctive race. On this point I think the editorial writer is quite in error. There is an aboriginal element in Formosa of head-hunters numbering a few thousand who are related to the Polynesian people. The bulk of the population, of course, are Chinese, both ethnically and linguistically and the majority of them or their forbears come from the seaboard of China, in particular the Province of Fukien. I would say that they are closer in linguistic and ethnic type to continental China than, for example, the people of Corsica are to those of France. The dialect spoken in Formosa is the Fukienese dialect. As for their sentiments towards the mainland, doubtless they are fearful of Communist control and perhaps resigned to their present masters. But there is no doubt that at the end of the Japanese war there was a great deal of general goodwill towards their homeland of continental China -- a goodwill which was recklessly impaired by the cruel events of March 1947.

3. In the following paragraph it is stated that "it can hardly be forgotten that they /Chinese Nationalist Army/ were once our allies". I think this sentiment

... 2

cannot be pushed too far in the present world where there has been a rather rapid change in the status of some former allies and some former enemies.

AL. NORMAN

American and Far Eastern Division

Formosa

50056-A-40
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SECRET

SEEN BY
L. B. PEARSON

March 11, 1952.

file
R. L. ROGERS
APR 5 - 1952

MEMORANDUM FOR THE MINISTER

Canadian Policy on the Future of Formosa

The Cairo Declaration subscribed to by the United States, the United Kingdom and China on December 1, 1943, stated, "All territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China." This promise was confirmed in the Potsdam Proclamation by the same three powers (the Soviet Union subsequently adhering) on July 26, 1945, as follows: "The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu and Shikoku and such minor islands as we determine." The Japanese Instrument of Surrender, also signed in 1945, was based on the Potsdam Proclamation and provided that the terms of the Proclamation should be carried out. Canada signed the Instrument of Surrender.

On October 24, 1945, as a result of an order issued on the basis of consultation and agreement among the allied powers concerned, the Japanese forces in Formosa surrendered to the National Government of China. Thereupon, with the consent of the allied powers, administration of Formosa was undertaken by the Government of the Republic of China. The Canadian Government acquiesced in de facto administration of Formosa by China through acceptance of a note from the National Government of China in 1946 stating that Formosa was restored to Chinese sovereignty and that Formosans had regained their Chinese citizenship, through agreement that the commercial modus vivendi with China should cover Formosa, and through various administrative actions. While it is true that

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11.3.38 (ds)

circumstances have now changed in that China is ruled by a government based on principles which we detest and that such a change was not foreseen when the steps described above were taken, it is open to doubt whether it is wise to repudiate wartime agreements which fulfilled an important and justifiable national aspiration of the Chinese people. Our motivations in the period from 1943 to 1946 were based on considerations of justice to the people of China and not on affection or respect for the government by which the people of China were then ruled.

On February 2, 1951, during the debate on the address in reply to the speech from the throne, you made a speech on foreign policy. While you spoke at some length of relations with China and of the Korean war, you did not refer to the future position of Formosa. On May 7, when the estimates of the Department of External Affairs were presented to the House, you were pressed to make a statement on foreign affairs. During the course of your remarks you said:

"Another way in which the conflict could be extended, in the hope that it would be ended sooner, would be by facilitating and assisting the return to the mainland of China of the forces at present in Formosa under the command of Generalissimo Chiang Kaishek. We should remember, of course, that these forces, or forces under the same command, have been driven from China by their own countrymen. The question to be answered, therefore, is this: Is there any reason to believe that these Chinese nationalist forces now in Formosa would have greater success in China than they had previously, unless they were supported by troops and equipment from other countries which could ill be spared for such a hazardous venture, with all its possible long-drawn-out consequences?

"The desire to localize the conflict and prevent it from spreading remains, then, our policy, though we must recognize that while it takes only one to start a fight, it takes two to limit, as well as two to settle, a fight.

"May I now say just a word in conclusion, Mr. Speaker, about our views--I have been asked about this in previous statements in the house--on the situation in Formosa. I believe that this island should be neutralized while fighting is going on in Korea. I have expressed that view previously. Certainly the United States of America cannot be expected to permit the Peking government to take over Formosa while that government is defying, and fighting against, the United Nations. It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed within the context of the United Nations charter. Any other course would, I think, result in implacable hostility between the United Nations and whatever government was in control of China at the time the war ended.

"Until that war ends, however, and China abandons her attack against the United Nations in Korea, there can be, I think, no question of even discussing whether Formosa should be handed over to the Peking regime; at least that is our view. The same, I think, applies to recognition of that regime in Peking. There can be no question even of considering it while the Chinese defy the United Nations in Korea and fight against our forces there."

It is interesting that in his remarks immediately following your speech, Mr. Graydon did not even refer to Formosa.


In so far as Formosa is concerned, it is apparent that the remarks you made in New York on March 7, 1952, contain nothing new. You reiterated your belief that the question of the future of Formosa should not be settled so long as the war in Korea continues. You did not say anything about your position on the future of Formosa after the war in Korea ends, and this is a perfectly defensible action because it is one of the soundest rules of diplomacy that one should not make an irrevocable commitment in an unpredictable and hypothetical future situation.

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Turning now to your statement that we do not intend to overthrow by force the government in Peking or to use our own forces to restore to China the Nationalist regime which is now in Formosa, there is a past precedent in your speech of August 31, 1950, in which you said:

"We have also been disturbed by statements that seem in our minds to confuse the defence of Korea, which has been assumed by the United Nations, with the defence of Formosa, which has not; statements that have even implied--somewhat mistakenly I think--that those who wish to draw at this time a distinction between the two operations are defeatists and appeasers. So far as this government is concerned, we are concerned solely with carrying out our United Nations obligations in Korea, or elsewhere. These obligations do not, as I understand them at the present time, include anything that can be interpreted as the restoration of the nationalist Chinese government to the mainland of China, or an intervention in Formosa."

In view of the experience of the Japanese from 1932 to 1945, I think that it should not be difficult to challenge the wisdom of a policy involving war to the finish with China.



A.D.P.H.

March 11, 1952

MEMORANDUM FOR THE MINISTER

50056-A-40	
27	27

file
R. L. ROGERS
MAR 12 1952

The Future of Formosa

You will have seen the remarks by Mr. Drew in the House of Commons on March 10 and the critical editorials in the Montreal Gazette of March 10 and 11 on that part of your speech to the Canadian Society, New York, concerning China policy. It was contended particularly that you had said something new on Formosa and had left the implication that you would agree to let Formosa be taken over by the Peking regime after the conclusion of hostilities in Korea.

I thought you might like to have available some of your earlier statements on this subject in the House of Commons, from which I think it is clear that, at least on some of the points you made concerning China in New York, you said nothing very new.

Last May 7, in a general statement on external policy in the House of Commons, you spoke as follows:

"Another way in which the conflict could be extended, in the hope that it would be ended sooner, would be by facilitating and assisting the return to the mainland of China of the forces at present in Formosa under the command of Generalissimo Chiang Kai-shek. We should remember, of course, that these forces, or forces under the same command, have been driven from China by their own countrymen. The question to be answered, therefore, is this: Is there any reason to believe that these Chinese nationalist forces now in Formosa would have greater success in China than they had previously, unless they were supported by troops and equipment from other countries which could ill be spared for such a hazardous venture, with all its possible long-drawn-out consequences?"

"The desire to localize the conflict and prevent it from spreading remains, then, our policy, though we must recognize that while it takes only one to start a fight, it takes two to limit, as well as two to settle, a fight.

"May I now say just a word in conclusion...about our views...on the situation in Formosa. I believe that this island should be neutralized while fighting is going on in Korea. I have expressed that view previously. Certainly the United States of America cannot be expected to permit the Peking government to take over Formosa while that government is defying, and fighting against, the United Nations. It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed within the context of the United Nations Charter. Any other course would, I think, result in implacable hostility between the United Nations and whatever government was in control of China at the time the war ended.

"Until that war ends, however, and China abandons her attack against the United Nations in Korea, there can be, I think, no question of even discussing whether Formosa should be handed over to the Peking regime; at least that is our view. The same, I think, applies to recognition of that regime in Peking. There can be no question even of considering it while the Chinese defy the United Nations in Korea and fight against our forces there."

At the conclusion of the debate that followed, you dealt with a number of the points that had been considered and spoke as follows on the question of Formosa and the recognition of Communist China: (May 14)

"The policy of the Government of Canada in regard to these matters has been made clear more than once in this House, outside this House and at the United Nations.I would repeat...because I think it describes in a nutshell our policies in regard to these matters--the last paragraph of the statement of principles adopted by fifty-two members of the

United Nations, including the United States of America. It deals with the Far East problem in general, Formosa and recognition in particular. We are bound by this paragraph because we accepted this statement of principles. The last paragraph reads as follows:

'As soon as agreement has been reached on a cease-fire, the General Assembly--

"That is the General Assembly of the United Nations

'--shall set up an appropriate body which shall include representatives of the Governments of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics, and the People's Republic of China, with a view to the achievement of a settlement, in conformity with existing international obligations and the provisions of the United Nations Charter, of Far Eastern problems, including among others those of Formosa (Taiwan) and of representation of China in the United Nations.' "

Again on June 15, 1951, when speaking on the proposals for a Japanese peace treaty in the House of Commons, you referred to Formosa in the following terms:

"Similarly, with regard to the question of Formosa I think we are all agreed that Japanese sovereignty in Formosa must be brought to an end. I have no doubt that that will be done in the peace treaty. I think it is also pretty clear that the eventual disposition of Formosa cannot be made in any draft treaty at this time. I do not think I can say anything more at this time on this matter."

During the special fall session you do not appear to have repeated these statements on Formosa. You only mentioned Formosa a couple of times, quite incidentally in connection with the San Francisco conference on the Japanese Peace Treaty.

You may also find it useful to have the attached short item on Formosa, which was prepared for inclusion in your handbook for the current session.

A.J. Pick

cc Mr. Reid
American & Far Eastern Division

50056-A/40
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Answer J.F.E. DW
~~SECRET~~
March 11, 1952.

MEMORANDUM FOR THE MINISTER

File
R. L. ROGERS
MAR 22 1952

Mr. Drew's Criticism of your Speech
in New York on March 7

In the House of Commons on March 10, Mr. Drew stated that the following paragraph of your New York speech contained "four positive declarations of policy" which he submitted had not been passed on by the House of Commons.

2. The paragraph of your speech is as follows. I have inserted in the text of the relevant paragraph of your speech numbers in front of each of the four points:

"(1) As for China, we should let the Peking government know that they must expect communist aggression to be met by collective resistance; (2) that no government in Peking committing such aggression can hope to be accepted into the community of nations; (3) that, on the other hand, we ourselves did not intervene in Korea, or, indeed, in Formosa in order to overthrow by force the government in Peking; (4) I think also that we should make it clear that while Formosa cannot be allowed to fall in Chinese communist hands while aggressive war is going on in Korea, we do not intend to use our own forces to restore to China the regime which is now in Formosa after being driven off the mainland."

3. I attach a memorandum of today's date on Canadian policy on the future of Formosa. This memorandum demonstrates that you had already made public the second, third and fourth points.

4. We have not, however, been able to find any previous statement by you on the first point. This would appear to be a new statement of policy and it might be contended it is in conflict with the statement in your speech to the Canadian Bar Association of March 31, 1951,

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11-3-18(ss)
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when you said: "condemnation of aggression should not mean that in every case economic and military sanctions must follow".



E.R.

Am.&FE/RLRogers/cc

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SECRET

March 11, 1952.

MEMORANDUM FOR THE UNDER-SECRETARY

File
R. L. ROGERS

MAR 12 1952

Canadian Policy on the Future of Formosa

*Sent
11.3.52*

Attached for your initials, if you concur, is a memorandum for the Minister discussing the background of the statements he made in his speech in New York on March 7 concerning the future of Formosa. I understand that the Minister was particularly interested in knowing whether anything he said on this subject differed from his past public statements.

E.A.N.

American and Far Eastern
Division

11-3-78(jss)

DEPARTMENT OF EXTERNAL AFFAIRS

Subject

Can. for Pol. (Far East)

Date

MAR 10 1952

Publication

MONTREAL GAZETTE

50056-A-40
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MR. PEARSON SHOULD CLARIFY

The speech delivered in New York by the Canadian Minister for External Affairs, Hon. Lester B. Pearson, called for clarification of the Western attitude towards Communist China. But that speech in itself requires clarification, especially in regard to Mr. Pearson's references to Formosa.

The fate of Formosa is one of the most difficult and important matters in the future of Asia. In his speech Mr. Pearson said that "Formosa cannot be allowed to fall into Chinese Communist hands while aggressive war is going on in Korea." Perhaps these words may be interpreted to mean that if the war in Korea could be satisfactorily ended, the surrender of Formosa to the Chinese Communists might be considered.

Unless Mr. Pearson strongly clarifies his own words to the contrary, this is the interpretation that may be given to them in the United States, in Communist China, in Russia, and around the world. And this interpretation will apparently be confirmed by previous statements made by Mr. Pearson upon this matter.

Last May, for instance, Mr. Pearson was giving testimony before the External Affairs Committee of the House of Commons. He said that the return of Formosa to the Chinese mainland should be left in abeyance for the moment, because of Korea. However, the Canadian Government would not consider that the presence of the present Chinese Government on the mainland would be a reason for never handing Formosa over.

In the course of his New York speech Mr. Pearson was stressing the need to prevent a rift in Western policy regarding China. But whatever rift may exist is not likely to be healed by making public declarations of Canada's differences with the United States upon the fate of a strategic island upon which the United States has placed the utmost importance.

It is one thing to say (as Mr. Pearson also said) that Chiang Kai-shek, at present on Formosa, should not be supported in any attempt to regain control over the mainland of China. But it is quite another thing to go beyond this, and to hint that, in Canada's opinion, the return of Formosa to the Chinese Communist Government is a matter that may be considered once the Korean War is dependably ended.

The difficulty of the hints and suggestions about Formosa that Mr. Pearson has been making, is that they publicly separate Canada from the policy of the United States without giving any sufficient explanation of how Canada would overcome the serious hazards which the return of Formosa would involve. It is well to consider what these hazards are.

In the first place, the Formosan people have had no political association with the Chinese mainland since their island was taken over by the Japanese some 60 years ago. These 6,000,000 Formosans are in many ways a distinctive race, tending to regard their island as their homeland. It is an unsupported presumption to suggest that placing them under a Chinese Communist rule would be a desirable fate for them, or one which they would desire. For many Formosans, it would be a question whether they could survive the change.

In the second place, Formosa has become the place of refuge of the Chinese Nationalist Army, numbering about half a million men. It can hardly be forgotten that they were once our allies. And Formosa was the sanctuary of numberless thousands of anti-Communist civilians from the mainland. These civilians include such liberal leaders as K. C. Wu, the former mayor of Shanghai, as well as educators, economists, business executives, doctors, printers, airplane mechanics and a multitude of ordinary citizens who fled the terror.

As The New York Times has said editorially, "The United States is not committed to return to China a countless pile of Formosan corpses."

In the third place, Formosa is an island of strategic importance. It was from Formosa that the Japanese planes left for their attack on Pearl Harbor. Formosa would be the natural starting-point of attacks upon South and South East Asia—the very areas that the Western world is most concerned to withhold from Communist aggression.

In the fourth place, the United States, our chief ally in the Korean War, is convinced of the importance of Formosa for her own security, and therefore for Canada's. This is not merely the opinion of Gen. Douglas A. MacArthur. In the "MacArthur" hearings before the Senate committees last May, Gen. George C. Marshall testified that it was the established policy of the United States to "deny Formosa" to Communist China. "There has been no deviation from that policy whatsoever," he said. "At no time have I entertained the opinion that there should be any deviation."

It may be of course that Mr. Pearson no longer holds the views on Formosa that he was holding last May. Perhaps his speech in New York could be easily clarified. But if he still holds the same views, and if he intended to express them in his New York speech, then an answer to the serious objections to the surrender of Formosa would seem desirable.

Surely the Western world, in dealing with Communism, has already surrendered enough strategic territory, and has been party to the surrender of enough people, into the bloodpaths of Communism.

~~Mr. Pick~~
March 10, 1952

MEMORANDUM TO AMERICAN AND
FAR EASTERN DIVISION:

50056-A-40
27/27

File
R. ROGERS
MAR 10 1952

The Problem of the Recognition of a Government of China

You will no doubt have seen the text of the speech delivered by the Minister on March 7 to the Canadian Society, New York, which deals, among other things, with Far Eastern policy. Reading it after the event I was struck by the language he used in describing the governmental authorities in both Taipeh and Peking. At one point he did mention "a Communist regime in Peking" in a rather abstract sense, but later on he referred to the Peking regime three times as a government and gave anything but a flattering description to the Chiang Kai-shek regime. I do not think there was anything very deliberate in this but it is nevertheless a strange commentary on our policy of continuing to recognize the Chiang Kai-shek regime as the government of the Republic of China. Regardless of our formal position it rather implies at least a psychological de-recognition of Chiang Kai-shek, although falling short of a transfer of recognition from Taipeh to Peking.

The following is the ^{relevant} relative paragraph from the speech, with, of course, the underlining added by me:

"As for China, we should let the Peking Government know that they must expect communist aggression to be met by collective resistance; that no government in Peking committing such aggression can hope to be accepted into the community of nations; that, on the other hand, we ourselves did not intervene in Korea, or, indeed, in Formosa, in order to overthrow by force the government in Peking. I think also that we should make it clear that while Formosa cannot be allowed to fall into Chinese Communist hands while aggressive war is going on in Korea, we do not intend to use our own forces to restore to China the regime which is now in Formosa after being driven off the mainland."

CC Mr. Reid
Legal Division

10-3-26 (55)

A. G. Pick
A. G. Pick

Notes: Mr. Pick says he is willing to see if Mr. Pearson raises the matter before we do anything about it.
L.R.

AM.AVE/RLRogers/kb

File copy
(For Minister's Handbook-1952)

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March 4, 1952.

50056-A-40
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FORMOSA

Under Article 2 of the Treaty of Peace with Japan signed at San Francisco on September 8, 1952, by Canada, Japan, and 47 other signatories, Japan renounced "all right, title, and claim" to Formosa; but the Peace Treaty did not specify to whom sovereignty over Formosa was transferred. The difficulty over Formosa arises from the claims of two rival governments of China: the National Government of China, with its capital at Taipei, Formosa, which is recognized by Canada, and the Central People's Government of China, with its capital at Peking, which is not recognized by Canada. Both these governments consider Formosa to be an integral part of China.

2. Canada's attitude is that Formosa should be neutralized while fighting is going on in Korea. It does not follow, however, that if and when the Korean question is settled satisfactorily we could refuse to discuss the future

of Formosa within the context of international agreements that have already been reached concerning it. Any other course would be contrary to our obligation under the Charter of the United Nations to seek a peaceful solution of this kind of international dispute.

3. The question of Formosa's strategic significance has long been a domestic issue in the United States. [Until the Korean crisis, however, the official United States position was one of non-interference, although it was considered preferable, other things being equal, if Formosa were not in the hands of a potentially hostile power.]

4. Since the Chinese intervention in Korea, however, the United States has tended to attach increasing importance to the strategic value of Formosa, particularly because of its threat to the line of communications between the Philippines and Okinawa. Domestic factors, especially since the dismissal of General MacArthur, have reinforced this attitude. The Canadian military view of Formosa on the other hand has been that in the event of war with China or with the Soviet Union assisted by China it would be of limited strategic value.

5. In general, we have taken the position that political considerations and the danger of embroiling the United States in a war with China outweighed strategic factors, except perhaps during hostilities in Korea. We have resisted the suggestion that the United Nations might assume any long-run responsibility for the disposition of the island or its denial to the Chinese Communists. In this, we have been influenced by Asian opinion, and by the obvious difficulties involved in finding any rational solution in view of the existence of the Nationalist regime on the island.

TOP SECRET

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MESSAGE FORM
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File No.		
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Security Classification		
CONFIDENTIAL		

Original on
500 69-A-40

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

System CYPHER - AUTO	No. 571	Date: February 27, 1952.
Priority	Reference: Our telegram No. 322 of January 31st.	
Departmental Circulation	Subject: Far Eastern policy.	
Done	<p>Although Mr. Churchill on January 30th and Mr. Eden on February 5th had stated that no commitments or changes in policy with regard to Korea and China had been made as a result of the Washington talks, the labour opposition pressed its attack on Mr. Churchill on February 26th after the interregnum caused by the demise of the King. The following are the essential points made by Mr. Churchill in reply:-</p> <p>(a) It was absolutely true to say that the government had adhered to the policy of the late government with regard to the Korean conflict and the relations between the United Kingdom and China. He had in no way departed from that position and there was no truth in the suggestion that any secret or private arrangements were made, or any change or policy agreed upon formally or informally, actual or implied, by himself or the Foreign Secretary on these issues during their Washington visit.</p> <p>(b) He had never changed his opinion about the danger of getting involved in China.</p> <p>(c) Mr. Attlee had expressed agreement on February 5th with what he had said to Congress about Formosa. What he had said to Congress was the only thing one could say about Formosa which could be agreed on both sides of the House, on both sides of Congress and indeed on both sides of the Atlantic. The fact that he had selected was by implication adverse to other statements that could be made on the subject of Formosa. Few adventures could be less useful or fruitful than for Chiang Kai-Shek to plunge on to the mainland.</p> <p>2. The debate took a very unfortunate turn when Mr. Churchill referred to discussions in 1951 between the United Kingdom and United States Governments on the military action to be taken in the Korean conflict in certain eventualities. Mr. Churchill's purpose was obviously two-fold:-</p>	
Date	References	
Date		

(a) To demonstrate that the Labour Government had in fact consented to military action beyond the confines of Korea in certain circumstances;

(b) To show that his own government had gone no further than the Labour Government in this regard and moreover that it agreed with the decisions of the Labour Government.

3. This disclosure has obviously made the Labour opposition very angry and even less disposed than hitherto to follow the non-partisan tradition in foreign affairs. The ensuing controversy as to whether Mr. Churchill was referring to Cabinet documents and whether he should table them does not moreover augur well for hopes that Parliament will avoid the congressional species of enquiry into international agreements and the government's conduct of foreign policy.

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C O N F I D E N T I A L

Despatch No. 897

Date February 26, 1952.

FROM: THE ACTING HIGH COMMISSIONER FOR CANADA, LONDON.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

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1	Reference.....
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3	Subject: Formosa.
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Formosa.

The consideration of what might be done to protect merchant shipping in Formosa Strait as a result of the recent piracy of the "Wing Sang" throws an interesting sideline on the attitude of the United Kingdom Government towards naval cooperation with the American Seventh Fleet.

2. As far as the Royal Navy is concerned the Commander-in-Chief, Far East Station, has voiced strong opposition to any attempt to concert American and British naval activities in the area where merchant shipping is concerned as long as the China policies of the two Governments differ. In his view such a step would only end in an incident between the two navies, each trying to carry out the policy of its own Government. The Foreign Office has admitted the force of this argument and also thinks that contacts between the U.S. Seventh Fleet and the naval authorities at Hong Kong might be wrongly taken to imply a change in the policy of the United Kingdom Government with regard to Formosa.

3. The United Kingdom Government has accordingly decided not to pursue the question of naval cooperation.

FEB 29 1952

M. Rogers

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Post File

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C.C.
Washington
Tokyo

H. R. Horne

Acting High Commissioner

Refer to:
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 USSEA
 Secy to Cas
 Min. Nat. Def.
 Def. L. (1)
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To see: 27

~~McBride~~
" *McBride*

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Commonwealth Div

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R. L. ROGERS
FEB 29 1952

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EXTERNAL AFFAIRS
RECORDS-CLEARED

1952 FEB 23 PM 3:54

[Handwritten signature]

TO: DIRECTOR, FBI (100-371101) FROM: SAC, NEW YORK (100-100000) (P)

RE: [Illegible text]

100-100000-1000

BY: [Illegible]

Administrative routing table with columns for 'SEARCHED', 'SERIALIZED', 'INDEXED', and 'FILED'. The 'SEARCHED' and 'SERIALIZED' boxes contain handwritten initials.

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For file on: 50056-A-40

Copy on 50069-A-40

Ext. 91A

50056-A-40
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OTTAWA FILE
No.....

Letter No. Y-
Date February 12, 1952.

SECURITY CLASSIFICATION
UNCLASSIFIED

FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
TO: See below. 30

Reference.....
Subject: Statement on a Far Eastern Settlement by General Nam Il

Attached for your information is a copy of a statement on a Far Eastern settlement by General Nam Il which appeared in the New York Times on February 7, 1952.

E. H. Norman

for the Under-Secretary of State for External Affairs.

Sent to: Brussels, Canberra, Capetown, Copenhagen, CPDUN, Karachi, London, New Delhi, Oslo, Paris, Rome, The Hague, Tokyo, Washington, and Wellington.

Copies Referred To.....
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No. of Enclosures
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Post File
No.....

DATE: February 7, 1952

PUBLICATION: N.Y. Times

Statement on a Far Eastern
Settlement by General Nam Il

MUNSAN, Korea, Feb. 6, -- Following is the text of a statement by North Korean Gen. Nam Il at Panmunjom today introducing Communist principles for recommendations to the Governments of countries involved in the Korean war:

During our discussions on the other items of the agenda, both sides have expressed again and again that the armistice in Korea should serve as a bridge toward the peaceful settlement of the Korean question.

Both sides have explicitly agreed that, once an armistice is realized in Korea, a political conference of a higher level should be convened quickly by the Governments of the countries concerned on both sides to commence the work of a peaceful settlement of the Korean question.

For this reason, our side formally proposed that we recommend that within three months after the Korean armistice agreement is signed and becomes effective the opposing sides, the Governments of the Democratic People's Republic of Korea and of the People's Republic of China, on the one hand, and the Governments of the countries concerned of the United Nations on the other, appoint five representatives respectively to hold such a political conference.

Troop Withdrawal Stressed

Since the war in Korea will be stopped, there can be no justification for any further stay in Korea of all the foreign forces which have participated in the war and, on the other hand, in order to lay a foundation for the peaceful settlement of the Korean question, it is absolutely essential for all the foreign forces to be withdrawn from Korea.

During our discussions of the agenda, both sides have already agreed that the question of withdrawal of all foreign forces from Korea be referred to a political conference of a higher level of both sides, to be convened after the armistice, for discussion and settlement. Therefore, our side formally recommends that the above-mentioned political conference should first discuss and decide upon the withdrawal of all foreign forces from Korea.

The withdrawal of all foreign forces from Korea is a decisively important prerequisite for a peaceful settlement of the Korean question. However, the peaceful settlement of the Korean question itself contains a series of important issues which require to be settled.

Therefore, our side formally recommends that the above-mentioned political conference decide, in discussion, the question of withdrawal of all foreign forces from Korea and should also settle through negotiations the fundamental principles and specific recommendations regarding peaceful settlement of the Korean question so that the military armistice in Korea will really become a bridge toward the peaceful settlement of the Korean question.

The Korean question is not an isolated question. The war in Korea has involved many problems beyond Korea. A peaceful settlement of the Korean question will, in fact, pave the way for the solution of those other problems which are related to the

Korean question. Conversely it is only when those other problems related to the Korean question are solved simultaneously that the peace in Korea can be consolidated. All arguments which attempt to isolate the peaceful settlement of the Korean question are untenable as well as invalid.

Truman Stand Challenged

On June 27, 1950, President Truman of the United States of America publicly connected the war in Korea with other questions of the East and used the Korean war as a pretext for a series of warlike measures in the East. The peaceful settlement of the Korean question calls for a simultaneous solution of these other important problems related to the Korean question.

It is only when these problems related to the Korean question are solved simultaneously that peace in Korea can be consolidated; that peace in the East, which has been breached as a result of the war in Korea, can be restored and that the state of extreme tension into which the world has been plunged as the result of the war in Korea can turn for the better. Therefore, our side formally recommends that the above-mentioned political conference shall discuss the other problems related to peace in Korea.

This is the main content of our draft of principles on the fifth item of the agenda. I hope that the plenary conference will seriously consider and adopt this draft principle as the agreed principle of the plenary conference on the fifth item of the agenda.

Copy No. 4 of 4 copies.

Am.&FE/RLRogers/kb

DOWNGRADED TO SECRET
REDUIT A SECRET

TOP SECRET

January 15, 1952.

Excerpt from Telegram WA-102 of January 10, 1952,
from The Canadian Ambassador in WASHINGTON.

Subject: Truman-Churchill Talks.

50056-A-40
27 27

3. Far East

(a) Formosa. Eden was emphatic that any Japanese public action to establish relations with the Formosa Government must await the ratification of the Peace Treaty. He added that he did not mind an agreement being reached privately beforehand, but the arrangements must be concluded by a free Japan in a way in which neither the United Kingdom nor the United States could be later blamed for the consequences. Any Japanese recognition of Chiang Kai-Shek must also be limited to the territory under his control now.

(b) Korea. Ismay said that there had been little discussion of the deterrent military action to be taken in the event of a renewal of the fighting after an armistice, and that the United Kingdom had made no commitments at all on what should be done, beyond their agreement to participate in the warning declaration. He was much impressed by Bradley's review of the military situation and by his confidence that the United Nations forces could stand fast in approximately their present positions if a major attack was launched by the Communists. On the United States side the contention was renewed that a naval blockade would be of considerable effect in limiting Chinese offensive capacity, but Ismay said the British werestill quite unconvinced of this.

COPY

MESSAGE FORM
INCOMING

Original on 50069.A.40

File No. 50056-A-40		
27	27	
Security Classification		
SECRET		

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

System CYPHER-AUTO	No. 53	Date: January 9, 1952.
Priority	<u>Reference:</u>	
Departmental Circulation	<u>Subject:</u>	
Done.....	Addressed to External as No. 53, repeated to Paris as No. 7.	
Date.....	Charles Johnson, formerly head of Japan Section to the Far East Department, and now head of China Section, made the following comments regarding Korean developments particularly in the course of a brief discussion yesterday at the Foreign Office.	
References	<u>Declaration</u>	
Done.....	2. Now that the text of the proposed declaration has been agreed on the basis of consultation between a limited number of interested governments, the question of extending the consultations is now being looked at by the Foreign Office and the State Department. Johnson said that the Foreign Office had given a list of additional governments to the United States Embassy here as a basis for extending the consultations to include all governments who had committed forces (including ambulance units) to the United Nations in Korea. In the case of India, and clearly in order to prevent a premature leakage, or to cushion its effect should it occur, it is intended that consultation should not take place until just before the issuance of the declaration.	
Date.....	3. The Foreign Office agrees (see paragraph 5 of your telegram No. 2291 of December) that even if the declaration is made by the supporting governments, it should be brought formally to the attention of the Assembly. Detailed questions of timing and procedure, however, had not yet been considered in consultation with the State Department. Johnson added, however, that the United Kingdom Embassy in Washington had suggested that it might be preferable to dissociate the issuance of the declaration from the signature of the armistice.	
20M-50-P-794		

The United Kingdom Embassy in Washington thinks that a brief period might be allowed for after the conclusion of the armistice to see whether its provisions were actually carried out. The argument runs that to link the declaration firmly to the signature of the armistice might simply provide the Soviet Union with further opportunities for mischief in the propaganda field.

United Nations action in post armistice period

4. In view of the fact that our delegation in Paris is reporting to you fully on Foreign Office views with respect to action in Korea in the post-armistice period, we did not go into this aspect fully. The latest telegram we have seen on this subject was addressed to us by the delegation in Paris as No. 10 of January 5 (addressed to External as No. 304 of the same date). Johnson indicated that while the Foreign Office objective remained a governmental conference (as indicated in paragraph 2 of our delegation's message under reference) it is now considered that as a preliminary step a small negotiating committee of three or four "neutral" members of the United Nations might be set up in the first instance to approach the interested governments with the object of convening a governmental conference to negotiate a Korean settlement. The Foreign Office had in mind States such as Sweden and one of the Soviet European satellites as possible members of such a negotiating group. The Foreign Office was fully aware of the difficulties in the way of securing United States agreement to participate in a conference with Communist China, and Johnson could, of course, not anticipate the outcome of the current high-level discussions in Washington, in which this problem will be discussed.

Vyshinsky proposal for a meeting of the Security Council on Korea.

5. The Foreign Office had been speculating on the possible motives behind Vyshinsky's move. Their current estimate is based upon the assumption that the Soviet Union is genuinely anxious to see an armistice agreement concluded in Korea and the withdrawal of foreign troops. This assumption is based upon the view that Malik's original armistice proposal was genuine, but that the Soviet leaders recognize that the negotiations have been long-drawn-out and that they have lost a good deal of ground since this first initiative. There is a danger from the Soviet point of view of their being squeezed out of Korea, with South Korea in the hands of United Nations forces and not the Chinese Communists. The proposal that the Korean armistice should be discussed by the Security Council may have been put forward in order to ensure active Soviet participation in discussions which would determine for some time to come the shape of the Korean settlement. With this background it is also considered that the Vyshinsky move may have been designed to put pressure on the United Nations negotiating group in Panmunjon in order to extract further concessions. It may also have been intended partly to steal some of the limelight from the present Churchill-Truman discussions. The Foreign Office does not consider, however, that the purpose of the Vyshinsky initiative in proposing Security Council discussions was to prevent the conclusion of an armistice in Korea.

Formosa.

6. Johnson said that the Chinese Nationalists (like a number of other people) had obviously been counting on some radical change in United Kingdom policy following the general

election, and were of course disappointed that no such change had taken place. The question of Formosa would be another of the larger Far Eastern issues to be discussed in the Washington talks. Generally speaking, in an election year it was thought unlikely that there could be much prospect of bridging the gap between United Kingdom and United States policies in the Far East. The outstanding issues between the two governments were quite clear and re-alignments of policy on these fundamental issues would certainly not come easily.

7. In referring to the Formosa question Johnson mentioned specially the recent Dulles visit to Japan, which he thought reflected the Congressional difficulties in the United States. Presumably Dulle's actions in encouraging the Japanese Government to conclude a settlement with the Nationalist Government in Formosa was calculated to smooth the path of the Japanese Peace Treaty when it comes before Congress for ratification. The United Kingdom was opposed to any such action by Japan at this time on the grounds that United States pressure on Japan to move towards the Chinese Nationalists was not calculated to serve Japan's long-term interests in the Pacific, and that it was premature for Japan to conclude a peace settlement with "China" at this uncertain stage.



CANADA

National Defence College

SECRET

Fort Frontenac,
Kingston, Ont.,
December 17, 1951

Under Secretary of State for External Affairs,
Department of External Affairs,
East Block,
Ottawa, Ontario.

20

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Attention: C.S. Ronning, Esq.

Dear Sir,

I am returning herewith the two documents on Formosa, which you forwarded to me with your letter of November 28, 1951.

These documents proved most helpful to the officer on the course preparing a talk on Formosa, and I should therefore like to take this opportunity of thanking you for your assistance in this matter.

Yours sincerely,

G.P. Kidd
G. P. Kidd

Encl.

OR

R. L. Rogers

Registry please file enclosure under proper date
R. L. ROGERS
18 DEC 1951

Ext. 1204

50056-A-40
27 | 27

OTTAWA FILE
No.....

Despatch No. 4915.....

Date... November 29, 1951.....

SECURITY CLASSIFICATION

FROM: ACTING HIGH COMMISSIONER FOR CANADA, LONDON

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

OR Subject: FORMOSA.....

The following written statement of the policy of the United Kingdom Government was made on November 26 by Mr. Nutting, one of the Parliamentary Under-Secretaries for Foreign Affairs:

"It will be remembered that at the Cairo Conference in 1943 the United States, the United Kingdom and China agreed that after the war Formosa should be restored to the Republic of China. The Cairo Declaration also expressed the determination of the three Powers that in due course Korea should become free and independent, and their acceptance of the principles of non-aggression and no territorial ambitions.

"The decisions taken at Cairo were reaffirmed by the Potsdam Declaration of 1945, to which the U.S.S.R. subsequently adhered.

"The Formosan problem has now become an international one, and concerns a number of nations other than those which subscribed to the Cairo and Potsdam Declarations. It is, however, only one of the factors contributing to the present tension in the Far East, and in the view of His Majesty's Government the first and most urgent step towards a lessening of this tension is the achievement of a settlement in Korea. When this has been achieved, it will be possible to proceed with the discussion of other problems, including that of Formosa."

Mr. Rogers
DEC 3 1951

Copies Referred To.....

No. of Enclosures.....

Post File

No.....

Refer to Washington Done - 6.6. - Dec. 5/51

Mr. Nutting to see

W. R. Hague

r file
R. L. ROGERS
4 DEC 1951

for the ACTING HIGH COMMISSIONER.

1951 DEC 3 3 32

file
KB-SECRET

Ottawa, November 28, 1951.

G. P. Kidd, Esq.,
National Defence College,
Kingston, Ontario.

50056-A-40
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Dear Mr. Kidd,

In accordance with your telephone conversation with Mr. Rogers of the American and Far Eastern Division, I attach two documents which you may show to the Canadian officer who is preparing a paper on Formosa. The first of these is a study of the status of Formosa by the Legal Division of this department. While the officer may use the ideas contained in it, he should not attribute these ideas to the Canadian government.

The second document is despatch No. 787 of September 12 from the Canadian Liaison Mission in Tokyo, together with its enclosure, giving some observations on internal conditions in Formosa. This despatch and its enclosure throw some light on what is going on in the island.

I should be grateful if you would return both documents to me as soon as you can and if you would ensure that no copies are made.

Yours sincerely,

C. A. KONNING

for the
Acting Under-Secretary of State
for External Affairs.



Room 100, Elgin Bldg.,
74 Elgin St., OTTAWA.

GEOGRAPHICAL BRANCH

CANADA
DEPARTMENT
OF
MINES AND TECHNICAL SURVEYS

QUOTE FILE: C.11-5-1-4

7th November, 1951.

A.D.P. Heeney, Esq.,
Under-Secretary of State
for External Affairs,
O T T A W A.

50056-A-40
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Attention: C. A. Romning, Esq.,
American & Far Eastern Division.

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Mr. Heeney
NOV 9 1951

Jules

Dear Mr. Heeney:

The Geographical Branch wishes to express its thanks for your letter of 31st October, 1951, with criticisms and suggestions on our Foreign Geography Information Report No. 5 on Formosa.

Each of the suggestions put forth in your letter will be incorporated in the final draft to be submitted to the Editorial and Information division of this Department prior to publication.

Yours very truly,

George H. Lewis
for J. Wreford Watson,
Director, Geographical Branch.

Y

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file
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Ottawa, October 31, 1951.

The Deputy Minister,
Department of Mines and Technical Surveys,
Ottawa.

Attention J. Wreford Watson,
Director, Geographical Branch.

Thank you for your letter of October 24 under file C.11-5-1-4 transmitting the first draft of a Foreign Geography Information Report on Formosa produced in your Foreign Geography Research division.

I have marked in pencil some points of doubt in the introductory section. It appears to me to be incorrect to say that Taiwan has become a trouble spot for the first time. Of course, this is all a matter of definition. Secondly, I think it is incorrect at the present time to say that the Nationalist Government of China is blockading the Chinese coast from the ports of Taiwan. No doubt the Chinese Nationalist Government would like to do so, but you will recall that the military neutralization of Formosa in June 1950 prohibited attacks out of Formosa as well as into it. On page 5, I doubt the statement that the control of the Ching dynasty over Taiwan was only nominal because of the character of the emigrants to that island. I suspect strongly that the cause was the military weakness of the dynasty.

On page 104, I should like to suggest two changes - in line 2, the words "becomes effective" should be substituted for "signed". I think the third and concluding paragraph under legal status could well be omitted. The less said about it in fact the better and I think paragraph 1 covers the subject sufficiently.

On page 105, I note a reference to the present régime on the continent of China as "the People's Democratic Republic of China". The word "Democratic" does not appear in the official Chinese name. I should suggest the omission of the last sentence on this page. Some countries do consider Taiwan a vital link in the strategic line you have named and others do not. The Canadian government is not on record on this point and we should prefer that you should not take sides in this matter.

C. A. RONNING

for the
Under-Secretary of State
for External Affairs.

SECRET

50056-A-140
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File in
"Positive Position of
Toronto" (Para. 516.)
R. L. ROGERS
25 OCT 1951

MEMORANDUM TO THE CABINET

ASIAN QUESTIONS BEFORE THE SIXTH
SESSION OF THE GENERAL ASSEMBLY

Last year the Cabinet approved a statement on Asian questions before the Fifth Session of the General Assembly in order to provide general guidance to the delegation. This year, with the Sixth Session of the Assembly meeting in Paris and with communications consequently more costly, it is again desirable that Cabinet should give general guidance to the delegation for use in dealing with questions on Far Eastern matters which are bound to arise or which may arise.

2. The attached statement on Asian questions is therefore submitted for approval by Cabinet to provide guidance for the Canadian delegation to the Sixth Session of the General Assembly in Paris.

(Sgd.) L.B. Pearson

Secretary of State
for External Affairs.

Department of External Affairs
October 18, 1951.

SECRET

October 18, 1951.

ASIAN QUESTIONS BEFORE THE SIXTH
SESSION OF THE GENERAL ASSEMBLY

During the past year the gap between the North Atlantic Treaty powers and the countries of Asia has widened. China has adopted an attitude of hostility toward the western world which will take many years of patience and goodwill to break down. Its alignment with the Soviet Union is more definite, the identification of their interests is firmer, and the potential differences between them have receded for the time being into the background. Some of the minor countries of Asia have been irritated by the favour shown to Japan in an effort to gain the support of that country for the west. A large and growing area of misunderstanding and distrust has arisen between Asian countries led by India and some members of the United Nations led by the United States, over relations with China and the course to be followed in trying to bring the Korean war to an end.

2. If the differences between the west and the Asian states led by India should become more pronounced, the result could be extremely serious, especially in its effects on Western attempts to restrain the expansionism of the Soviet Union. Canadian effort at the Sixth Session of the General Assembly should therefore be directed toward helping to eliminate misunderstanding and, where possible, to bridge the gaps between the policies of the United States government and those of the Asian governments. This will be no easy task in view of the inflexibility of United States policy as a result of the difficulties created for the Administration by the dismissal of General MacArthur and the Republican attack on the Administration's Far Eastern policies, and as a result of the tendency in the United States to place opposition to Communism above all other considerations.

3. Chinese representation and the position of Formosa are almost certain to come before the Assembly in some form while the situation in Korea and Chinese Nationalist charges of Soviet intervention in Chinese affairs are already on the agenda.

Chinese Representation

4. A change in Chinese representation in the Assembly is most improbable during the Sixth Session. The United States, United Kingdom and Canadian governments are on record as opposing admission of the Central People's Government to the United Nations, the former apparently without limit and the latter two until China shall have ceased to aid aggression in Korea. It is unlikely that any motion for a change in representation would receive substantial support. The Canadian delegation would be consistent if it voted against a change of representation. Any statement against changing Chinese representation should, to be realistic, avoid any suggestion that the change is opposed from any admiration for the Nationalist Government or from any conviction that it represents the Chinese people.

It should be related solely to China's intervention in Korea. An opportunity may arise to defer a decision on Chinese representation on procedural grounds: a proposal in such terms would avoid the substantive question of which government should represent China, and would be preferable from the Canadian point of view. The United Kingdom would support such a procedural resolution, and probably the United States would also. The special committee set up by the Fifth Session to study Chinese representation has proved abortive; it would probably, therefore, be as well to avoid supporting any extension of its life.

Formosa

5. The Cairo Declaration by the representatives of the United States, the United Kingdom and China in 1943 promised the restoration of Formosa to the Chinese state. This promise was confirmed in the Potsdam Proclamation by the United States, the United Kingdom and China, subsequently adhered to by the Union of Soviet Socialist Republics in 1945. The Japanese Instrument of Surrender, also signed in 1945, was based on the Potsdam Proclamation and provided that the terms of the Proclamation should be carried out. Canada signed the Instrument of Surrender. De facto administration of Formosa by the Chinese Nationalist Government has been acquiesced in by the Canadian government through the acceptance of a note from the Nationalist Government in 1946 stating that Formosa was restored to Chinese sovereignty and that Formosans had regained their Chinese citizenship; through agreement that the commercial modus vivendi with China should cover Formosa; and through various administrative actions. While it is true that circumstances have now changed in that China is ruled by a government which we do not like, it is open to doubt whether it is wise to repudiate a wartime agreement.

6. The Canadian delegation should try to prevent the question of the disposition of Formosa from being raised as a substantive question and should endeavour to have the question left open until after a cease-fire has been arranged in Korea. Any debate on the substantive question is bound to widen the rift between the orient and the occident, and to force the United States to take an increasingly firm position from which it will have difficulty in retreating when the time comes.

Korea

7. The situation in Korea is so unpredictable that only general instructions can be given before the Assembly meets. In the absence of an agreed truce, it would be advisable, if possible, to maintain the present machinery of an additional measures committee of the General Assembly, where recommendations can be formulated. This procedure has advantages over consideration of additional measures in the first instance by the Political Committee. Our aim in the Additional Measures Committee might well be to try to avoid the imposition of additional military, diplomatic or economic sanctions until present measures have had better opportunity to demonstrate their worth. In this way it will be possible to avoid an undue risk of driving China more firmly into the arms of the Soviet Union.

8. If an armistice is concluded it is to be expected that the United Nations Commander will submit a report to that effect to the United Nations. If the report is made to the General Assembly, the problem arises who is to be responsible for the next obvious step, political negotiations aimed at a larger settlement. As negotiators for the United Nations, the group of countries which together are supplying the forces in Korea would probably be adequate provided India (which provides an ambulance unit but no fighting troops) is included. Their aim should be to achieve a general settlement in the Far East even though this would be difficult in view of the attitude of the United States towards the seating of Communist China in the United Nations and the disposition of Formosa. It is unlikely that any body set up by the General Assembly at this session would be able to approach the problem of a general settlement in the Far East during the lifetime of the Sixth Session of the Assembly.

Nationalist Chinese Charges Against the Soviet Union

9. It is difficult to deal realistically with the charges laid by the Nationalist government because even the countries which maintain relations with the Nationalists recognize that in fact they are not the effective government of China. The most desirable line to pursue at the Sixth Session of the General Assembly would therefore be one leading to the adoption of a course which would allow the charges to be left in abeyance. One solution would be to support any move which would continue this problem in the Interim Committee rather than in the General Assembly proper, along the lines of the resolution passed on December 1, 1950.

Room 100, Elgin Building,
74 Elgin Street, OTTAWA.

*file
KB.*



GEOGRAPHICAL BRANCH

CANADA
DEPARTMENT
OF

QUOTE FILE: C.11-5-1-4

MINES AND TECHNICAL SURVEYS 24th October, 1951.

A.D.P. Heeney, Esq.,
Under Secretary of State for
External Affairs,
Department of External Affairs,
OTTAWA, Ont.

50056-A-140
27 | 27

Attention: E.H. Norman, Esq., American and Far Eastern Division.

Dear Mr. Heeney,

*Returned
Och. 31/51 →
K. Botly*

Enclosed you will find a copy of our first draft of a Foreign Geography Information Report on Formosa produced in our Foreign Geography Research division.

You will appreciate that in making a study of this nature, it is not possible to disregard completely the political situation in the country studied. It is thought expedient, therefore, as it was with our study on Korea, to have your Department review the draft copy with a view to ensuring that it is entirely in accord with Canada's foreign policy.

Should there be any portion of this report which the officers of your Department feel should be deleted or revised your suggestions in the matter will, indeed, be respected.

Maps to illustrate this report are currently being produced in the Maps and Mapping division of this Branch but do not contain anything of a controversial nature.

Any evaluation you may care to put forth regarding this report as a whole would be reviewed as constructive criticism and assist this Branch in improving subsequent reports of this nature.

Yours very truly,

George H. Lewis
for J. Wreford Watson,
Director, Geographical Branch.

Encl.

50056-A-40
27 | 27

SECRET

October 19, 1951.

file
R. L. ROGERS
24 OCT 1951

MEMORANDUM FOR THE MINISTER

THE FUTURE OF FORMOSA

The Cairo Declaration by the representatives of the United States, the United Kingdom and China in 1943 promised the restoration of Formosa to the Chinese state. This promise was confirmed in the Potsdam Proclamation by the United States, the United Kingdom and China, subsequently adhered to by the Union of Soviet Socialist Republics in 1945. The Japanese Instrument of Surrender, also signed in 1945, was based on the Potsdam Proclamation and provided that the terms of the Proclamation should be carried out. Canada signed the Instrument of Surrender. De facto administration of Formosa by the Chinese Nationalist Government has been acquiesced in by the Canadian government through the acceptance of a note from the Nationalist Government in 1946 stating that Formosa was restored to Chinese sovereignty and that Formosans had regained their Chinese citizenship; through agreement that the commercial modus vivendi with China should cover Formosa; and through various administrative actions. While it is true that circumstances have now changed in that China is ruled by a government which we do not like, it is open to doubt whether it is wise to repudiate a wartime agreement.

2. You have consistently taken the position that the future of Formosa should be left in abeyance pending some general Far Eastern settlement which could include Formosa. You have not adopted the position that the wartime agreements respecting Formosa should be scrapped. In your statement before the House of Commons on May 7 last you expressed your position in the following

19-10-16(SS)
19.10.9(JS)

..2

words:

I believe that this island should be neutralized while fighting is going on in Korea. I have expressed that view previously. Certainly the United States of America cannot be expected to permit the Peking government to take over Formosa while that government is defying, and fighting against, the United Nations. It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed within the context of the United Nations Charter. Any other course would, I think, result in implacable hostility between the United Nations and whatever government was in control of China at the time the war ended.

Until that war ends, however, and China abandons her attack against the United Nations in Korea, there can be, I think, no question of even discussing whether Formosa should be handed over to the Peking regime.



A.D.P.H.

Mr. Henry
SECRET

~~GD.~~
Copy from sup
Av

October 18, 1951.

50056-A-10
27 | 27

Hi
R

MEMORANDUM FOR THE UNDER-SECRETARY

Attached is a memorandum
for the Minister providing material on the
future of Formosa, for your initials if
you concur.

sent to
minister
19.10.51

C. L. Rowing
American and Far Eastern Division.

For debate in HqFC, Oct 22.

19.10.9/uss

~~SECRET~~ SECRET

Y

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Legal/JS Nutt/jc/c
File No: 50056-A-40
Aug. 20, 1951

File
R

Downgraded
with the consent
of Mr. Wood.
23 Aug 51. R

MEMORANDUM FOR AMERICAN AND FAR EASTERN -

Re: Formosa

In your memorandum of May 17, you asked me to review my original memorandum on Formosa of February 19, 1951, and the despatches from New York and Washington dated March 30 and May 14 respectively, with a view to producing a final legal opinion on the status of Formosa and the capacity of the U.N. to make recommendation concerning Formosa.

2. This has been done and the final opinion is attached.

H. J. Burlingame
Legal Division

F O R M O S A

1. The Status of Formosa

The Island of Formosa was ceded to Japan by China in 1895.

2. On December 1, 1943 at Cairo the United States, the United Kingdom and China, stated it to be their purpose that

"all territories Japan has stolen from the Chinese, such as Manchuria, Formosa and the Pescadores, shall be restored to the Republic of China".

3. This declaration was incorporated in a proclamation issued by the United States, the United Kingdom and China at Potsdam on July 26, 1945 as follows:-

"The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu and Shikoku and such minor islands as we determine".

This declaration was subsequently adhered to by the U.S.S.R.

4. The circumstances whereby China assumed control of Formosa are described in the certificate which was issued by the United Kingdom Foreign Office in connection with the case of Civil Air Transport Inc., versus Chennault and others in the Supreme Court of Hong Kong. The certificate states, "on October 24, 1945 as a result of an order issued on the basis of consultation and agreement between the Allied Powers concerned the Japanese forces in Formosa surrendered to ChiangKai-chek. Thereupon, with the consent of the Allied Powers, administration of Formosa was undertaken by the Government of the Republic of China."

5. In August 1946, the Chinese Government informed the Canadian Government that "after the restoration of Formosa to Chinese sovereignty" Formosans had regained their

Chinese citizenship. This was acknowledged in terms identical to those used in the Chinese note. This acknowledgment is of no particular significance other than that it is ~~some~~ some evidence of the Canadian Government's recognition of the assumption of control of Formosa by China.

6. Undoubtedly it was intended in 1945 that China's assumption of control of Formosa would be followed by a formal session in a peace treaty. To all intents and purposes Formosa was considered part of China.

7. In view of these circumstances it is submitted that, China having assumed actual control of Formosa, all that remains is for Japan to divest itself of this territory. Thus, while for the time being Formosa is still part of the Japanese Empire the proposed treaty of peace with Japan will ~~alter~~ alter this. The treaty provides that Japan shall relinquish her right and title to Formosa and it is submitted that when the treaty comes into force so as to divest Japan, China will have a good title to Formosa on the basis of occupation.

8. Assuming that this view is generally accepted, the problem of the disposition of Formosa disappears. It is true, of course, that the competing claims of the Nationalist Government and the Communist Government may be brought to the attention of the United Nations. Such a question would be within the competence of the United Nations under Articles 10 and 14 and if it was considered to be a threat to the peace, under Article 11(2). Presumably any recommendations in this regard would not purport to effect the position of Formosa as part of China. However, it is possible that it might be sought to place the island under trusteeship for a limited period without affecting China's title.

9. Article 77 of the Charter states:

1. The trusteeship system shall apply to such territories in the following categories as may be placed thereunder by means of trusteeship agreements:

- a. territories now held under mandate;
- b. territories which may be detached from enemy states as a result of the Second World War; and
- c. territories voluntarily placed under the system by states responsible for their administration.

2. It will be a matter for a subsequent agreement as to which territories in the foregoing categories will be brought under the trusteeship system and upon what terms.

It is difficult to see how 1(c) would apply to Formosa since the Peking Government would never consent and many members of the United Nations such as the United Kingdom would be unable to recognize the consent of the Nationalist Government should it be forthcoming. Whether Formosa could be said to fall under 1(b) of course raises the fundamental problem whether Formosa has been disposed of as yet. If the view is adopted that disposition is complete with relinquishment of title by Japan it cannot subsequently be argued that Formosa is qualified for trusteeship under 1(b). It is logical to assume that the words "and not otherwise disposed of" are to be implied. Because of the immediately foregoing, it will be evident that there are grave difficulties in the way of placing Formosa under trusteeship.

10. Notwithstanding the above, it may still be contended that a final disposition of Formosa has yet to be effected.

11. Competence of the United Nations with respect to the Disposition of Formosa

Whether the question of the disposition of Formosa could be the subject of United Nations action would undoubtedly give rise to consideration of the application of Article 107 of the Charter. Article 107 reads:-

"Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such action."

12. The purpose of this article as stated by Sir Alexander Cadogan was "to leave the hands of the Allied Powers free as regards any action they might think it necessary to take in relation to one of the enemy States, either in the continuance of actual hostilities or as regards post-hostility action, such as the occupation of enemy territory, the enforcement of transfers of territory under a peace treaty, exacting reparations, and so on." This seems to be a reasonable statement of the intent of the article. In other words, the obligations undertaken by the United States, United Kingdom, etc...as signatories of the Charter are not to be an obstacle to the implementation of agreements in respect of Japan, arising out of the war. This being the intent of Article 107, there would seem to be no justification for arguing that the U.N. is not competent to pass upon the question of Formosa. It is noteworthy, however, that during the discussion of the question of the independence of Korea before the U.N., the U.K. representative admitted that Article 107 might prevent the U.N. from disregarding the conclusions of the Moscow Agreement concerning Korea. He did not think, however, that it could prevent the U.N. from making recommendations concerning the independence of Korea. (see U.N. document A/C1/SR 88 p. 256). Applying this to Formosa, it could be argued that the U.N. may not disregard the Potsdam Proclamation but that it may make recommendations to facilitate the handing over of Formosa to China.

13. Because of the purpose of Article 107 as outlined above, I am of the opinion that it does not preclude the U.N. from dealing with the problem of Formosa. The most appropriate article which might be invoked would seem to be article 14. This enables the General Assembly to make recommendations for the peaceful adjustment of a situation regardless of origin, which it deems likely to impair the general welfare or friendly relations. Article 10 could also be invoked and depending

the
upon whether/Formosa question is considered to constitute a threat to international peace and security, Article 11 (2) could also be invoked. No doubt, however, if the U.N. recommendations contemplated a disposition of Formosa at variance with the provisions of the Potsdam Proclamation, the validity of that agreement would be relevant. To make a recommendation concerning the disposition of Formosa contrary to a valid agreement, might well be construed as being contrary to the principles of the United Nations.

14. There would seem to be no doubt that the obligations of Potsdam are internationally binding (Oppenheim- 6th Vol. 1, page 788). Whether the alleged breach of the agreement in respect of Korea by the U.S.S.R. enables the other parties to claim abrogation of the whole agreement depends upon whether that part of the agreement with regard to the disposition of Formosa can be said to be severable from that dealing with Korea. This, in turn, depends upon whether each stipulation forms part of the consideration which induced the other party to enter the agreement. I am of the opinion that this is not the case here, and that therefore, an alleged breach of one clause of the agreement by one party does not enable the other party to declare the whole agreement abrogated. The joint communique of the Cairo Conference which was incorporated by reference into the Potsdam Proclamation expressly states that the Allied Powers "covet no gain for themselves and have no thought of territorial expansion". In other words, the end in view was the disposition of Formosa and Korea, etc..., in accordance with high principles and ~~was~~ not a barter arrangement. This suggests that the Allied Powers did not consider the execution of one part/as being dependent upon the execution of another. Any disposition of Formosa by some of the allied powers at variance with Potsdam would thus seem to involve a breach of the agreement notwithstanding the alleged breach by the U.S.S.R.

of the
agreement

15 ~~14.~~ Canada is concerned in this aspect of the question. Although not a signatory to the Potsdam Proclamation, Canada and others of the Allied powers accepted it in so far as it affects Japan by adherence to the instrument of Japan's surrender which provided for the carrying out of the provisions of the Potsdam arrangement.

16.

Conclusion

- a) At present Formosa is part of the Japanese Empire although administered and occupied by China;
- b) If Japan renounces her title to Formosa, China's title will be complete.
- c) That this event will not preclude the competing claims of the Peking Government and the Nationalist Government being brought before the United Nations but that it will give rise to difficulties if it is sought to place Formosa under trusteeship.
- d) Assuming that (b) has not taken effect and that an attempt is made to bring the question of the disposition of Formosa before the United Nations, Article 107 would not preclude this since all Article 107 does is to free the allied powers from their obligations under the Charter when dealing with enemy states as a result of the war.
- e) That the United Nations would undoubtedly first seek an authoritative opinion on the obligatory nature of Potsdam and the subsequent informal agreement to China's occupation and assumption of the administration of Formosa.
- f) That if it were held that the Potsdam Proclamation imposed no international obligation that it would be legally possible for the United Nations to recommend a disposition of Formosa.
- g) Alternatively, that, if the Potsdam Proclamation, as it relates to Formosa, were held to be valid, the U.N. would be acting contrary to principle if it were to recommend a disposition at variance with that agreed upon.

Legal: K.J. Burbridge:grh
File: 50056-A-40

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August 15, 1951

MEMORANDUM FOR MR. WOOD:

50056-A-40
23 Aug 51

*File
R.
Downgraded with
the consent of Mr.
Wood. R.
23 Aug 51*

Re: The Status of Formosa

2

Mr. Erichsen-Brown handed me the attached files just before his departure on leave. Will you please review this problem, particularly Mr. Nutt's memorandum of July 26 to the American and Far Eastern Division, with a view to having it despatched unless you consider that some revisions should be made.

I notice that Mr. Norman requested our revised opinion back on May 17. I think this should have been attended to before now.

I suggest you might have a word with Mr. R. L. Rogers and possibly Mr. McCardle because I understand from McCardle that the Minister might want to have our position cleared up before his departure to sign the Japanese Peace Treaty.

I have glanced over Mr. Nutt's memorandum hurriedly and I am not too certain of his views that the United Nations is competent to deal with this matter.

KJB

Mr. *Rogers* (Formosa)

File on Formosa file
EXT. 230 R

COPY

MESSAGE FORM
INCOMING

File No.		
50056-A-40		
27	27	
Security Classification		
SECRET		

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

<p>System CYPHER - AUTO</p> <hr/> <p>Priority IMPORTANT</p> <hr/> <p>Departmental Circulation</p> <hr/> <p>Done _____</p> <p>Date _____</p> <hr/> <p>References</p> <hr/> <p>Done _____</p> <p>Date _____</p>	<p>No. 1910</p> <p>Date: July 30, 1951.</p>	<p><u>Reference:</u> My telegram No. 1883 of July 26th.</p> <p><u>Subject:</u> Japanese Peace Treaty.</p> <p>With reference to paragraph 3 of my telegram under reference, herewith main body of the letter received from the Foreign Office on this subject, Begins:</p> <p>I am replying to your letter to Beckett of July 18th about Articles 2 and 3 of the draft Japanese Peace Treaty. I agree that, apart from the case of Formosa and the Pescadores and the case of South Sakhalin, the provisions of Article 2 consist of a formalisation of the already existing position, or else a renunciation of rights by Japan in circumstances where no corresponding provision as to the future of the territory is required. There are, for instance, certainly other claims to Spratly Island and the Paracel Islands, but the object of Article 2(f) is not to determine these claims but merely to ensure that there shall be no Japanese claim.</p> <p>With regard to Formosa, the Pescadores and South Sakhalin, the position is, I think, very much that suggested in paragraph 4 of your letter. Japan renounces sovereignty over these territories. But the sovereignty over them is not vested, so far as the treaty is concerned, in any other power. However, that sovereignty is capable of becoming so vested by some other means than the treaty. These territories are in fact already effectively occupied and controlled by certain other powers, and if this goes on, as is to be expected, they would, in any event, be able in due course to assert a good title by reason of such occupation. Indeed, Japan, having once renounced sovereignty, there would, in theory, appear to be no reason why these states should not proclaim their own sovereignty over the territories in question by annexation or by virtue of effective occupation.</p>
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Whether they will do so in express terms or not hardly seems to be very material.

This leaves us with Article 3. Here, as you will have noted, there is not even any renunciation of sovereignty by Japan. Japan will, however, concur in any subsequent arrangement placing the territories concerned under United States trusteeship. You will appreciate that it does not necessarily follow that the State exercising trusteeship over territory has formal sovereignty over that territory. It may merely have the right to carry out the actual exercise of that sovereignty during the period of trusteeship. I think the intention of this article has, perhaps deliberately, been to leave the eventual position a little vague. Theoretically the United States could exercise a trusteeship, with Japanese and United Nations consent, over territory which is still technically Japanese, and the inhabitants of which would remain Japanese nationals. This might have certain political and administrative advantages. While this would not be the necessary result of Article 3, it is certainly a possible result of it, and it is perhaps in order to preserve that possibility that it has been drafted in this way.

S E C R E T

Legal/JS Nutt/jc
File No. 50056-A-40
July 26, 1951

MEMORANDUM FOR MR. ERICHSEN-BROWN

RE: Formosa -

50056-A-40	40
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file
WJZ

American and Far Eastern Division have requested us to review our original memorandum on Formosa. I have finally come to the conclusion that Article 107 does not bar the U.N. from making recommendations concerning the disposition of Formosa. My reason is that the purpose of Article 107 is to prevent obligations assumed under the Charter being obstacles to the implementation of wartime agreements. I do think, however, that the U.N. would be bound in principle to ascertain the validity of the Potsdam Proclamation as it provides for Formosa and would be governed by whatever finding is made in this regard in formulating its recommendation.

2. Concerning the status of Formosa, the view I have expressed in paragraph 7 of the revised opinion has already been communicated to the American and Far Eastern Division in connection with the Japanese Peace Treaty.

3. I should be pleased to discuss this opinion with you at your convenience.

J.S. Nutt

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(R)

May 17, 1951.

50056-A-40
27 | 97

MEMORANDUM FOR LEGAL DIVISION

Legal Status of Formosa

I am attaching volumes 2 and 3 of file 50056-A-40, "Post War Position of Formosa", on the top of volume 3 of which is despatch No. 1638 of May 14 from the Canadian Ambassador in Washington. When you prepared your memorandum of April 21 Mr. Reid suggested that, in view of Mr. Wrong's participation in negotiations on this subject in San Francisco, his opinion should be sought. This was done by despatch No. Y-1713 of April 25 to which the present despatch is a reference.

2. I wonder if you would now consider that it would be profitable to review your original memoranda, despatch No. 274 of March 30 from New York and the present despatch from Washington with a view to producing what might be considered a consolidated final legal opinion on this subject.

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18 MAY 1951

E. H. M.

American and Far Eastern Division.

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

CYPHER - AUTO

NO. 1180

RESTRICTED

LONDON, May 15, 1951.

50056-A	40
27	27

*Original on
50069-A-40*

Restricted. My telegram No. 1171 of May 11th.

Korea.

Following is the full text of the statement made by Mr. Morrison in the House of Commons on May 11th with regard to Formosa. Quote. With your permission, Mr. Speaker, and that of the House, I desire to make the following statement.

In the course of the debate in the House on December 14th last the Prime Minister said that the question of Formosa was one of the most difficult in the Far East. That is still the position. At the Cairo conference in 1943 the United States, the United Kingdom and China agreed that Formosa should after the war be returned to the Republic of China. The Cairo Declaration also proclaimed the intention that Korea should in due course become free and independent. It also expressed acceptance of two principles; non-aggression and no territorial ambitions.

My Right Hon. friend the Prime Minister, therefore, went on to remark in the course of the same debate that until China shows by her action that she is not obstructing fulfilment of the Cairo Declaration in respect of Korea and accepts the basic principle of that

declaration, it will be difficult to reach a satisfactory solution of this problem. His Majesty's Government are of the opinion that the objectives of the declaration can be achieved only in the context of a genuine and satisfactory Far Eastern settlement, the first step towards which must be a settlement in Korea.

In fact, the problem of Formosa has now become an international problem in which a number of nations apart from those signatory to the Cairo and Potsdam Declarations are closely concerned. In the view of His Majesty's Government this is a question which could usefully be considered by the United Nations at the appropriate time. It is not however the urgent problem. The most pressing of the problems facing us in the Far East is that of Korea and in our view it would be premature to discuss the future of Formosa so long as the operations continue in Korea.

The question of Formosa will, however, come up in the context of the Japanese Peace Treaty. Our aim here is to secure an early peace treaty without allowing the difficult issue of Formosa to delay its negotiation and without attempting in the treaty to find a final solution to an issue which must be given careful consideration later in the general context of the Far Eastern situation. Unquote.

2. In reply to supplementary questions Mr. Morrison indicated that it was clearly desirable that the wishes of the inhabitants of Formosa should be taken into account. In reply to a further question he stated that he did not think there was need to apprehend acute friction between the United States and United Kingdom Government at this stage. Finally, Mr. Morrison expressed the opinion that his statement made it clear that there is no change in the

policy from the time when the Prime Minister made the earlier statement on Formosa in the House on December 14th last.

HIGH COMMISSIONER

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50056-A-40
27 | 27

OTTAWA FILE
No.....

Despatch No. 1638

Date. May 14, 1951.

SECURITY CLASSIFICATION
SECRET

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference... Your Despatch X-1713 of April 25, 1951,.....

Subject:.... Legal Status of Formosa.....

In your despatch Y-1713 of April 25 you requested my opinion on the relative merits of the arguments on the powers of the United Nations in the disposition of Formosa, which were referred to in the despatch of the Acting Permanent Delegate to the United Nations, No. 274 of March 30 and in the two memoranda on the question prepared by the Legal Division, dated February 19 and April 21, respectively.

2. From my recollection of the discussion at San Francisco, refreshed from the departmental report on the United Nations Conference, I would agree with the interpretation given to Article 107 by Sir Alexander Cadogan, as quoted in paragraph 5 of Mr. Holmes' despatch No. 274 of March 30. This Article was one of the transitional arrangements written into the Charter at the request of the Big Powers, in order to prevent, if possible, confusion arising between the provisions of the Charter and the longer term arrangements for an international organization which were brought into being at San Francisco. The Canadian Delegation, as will be seen from the report on the San Francisco Conference, drew attention at the time to the fact that the language of Article 107 was so loosely drafted that it might be construed as removing from the competence of the United Nations "for an indefinite period, if not in perpetuity" any action affecting any enemy state large or small, which any Allied government might choose to regard as a result of the war. The objections made by the Canadian and other delegations were referred to the Sponsoring Powers, who proceeded to "consider" them for, if I recall correctly, two or three weeks until it was too late for further discussion in Committee. I remember receiving a handsome apology from Mr. Stassen for this neglect - but in the outcome the obscure language was not clarified. The construction now placed upon the language of Article 107 by the Legal Division confirms these apprehensions expressed by the Canadian Delegation at San Francisco at the time.

3. I would be inclined to agree with Mr. Holmes that the precedent established when the Security Council confirmed its competence to deal with the Berlin Blockade, despite the objections of the Soviet representative based on Article 107, is relevant to the consideration of the competence of the United Nations in the disposition of Formosa. A distinction has to be drawn,

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MAY 17 1951

as the representatives of the Western powers pointed out in the Security Council during the consideration of the Berlin case, between "action taken or authorized in relation to enemy states" and disputes arising between members of the United Nations out of some aspect of the peace settlement. ?

4. Moreover, Article 103 of the Charter seems to me also relevant to the consideration of this question. This Article says - "In the event of a conflict between the obligations of the Members of the United Nations under the present Charter and the obligations under any other international agreement, their obligations under the present Charter shall prevail". It may be argued that the obligations undertaken by all members of the United Nations under the Charter to seek solutions to international problems by negotiation, and not by force, would, if a dispute arose between them on the question of the disposition of Formosa, have to take precedence over any obligations contracted between certain great powers as a result of a wartime agreement.

5. Another point which seems to me should not be overlooked in the case of Formosa is the change in the political circumstances which have occurred since the agreements were concluded at Cairo and Potsdam. The change in the government controlling the mainland of China and the retention by the Nationalist government of control over Formosa are among the complicating elements of the present problem which have to be considered in deciding the legal status and disposition of Formosa. The problem has now become in essence a dispute of rival regimes, each claiming to be the national government, over a part of the national territory.

6. I should also think that the terms of the Cairo and Potsdam Declarations need a careful examination before it can be determined whether or not the United Nations has the power to invalidate "China's assumption of control of Formosa". In the first place, these two agreements are not international treaties. The Cairo Declaration was, in effect, a public statement of intent released by, or on behalf of, Heads of governments after private meetings. I wonder whether it is correct to regard the political understandings reached between certain Heads of governments at the wartime conferences as obligations in international law?

7. Admittedly, there is a difficulty in principle in repudiating the Cairo Declaration, as it relates to Formosa, in view of the de facto accomplishment of that part of the agreement which was carried out five years ago with the acquiescence of the powers concerned. Even the United States has refrained from repudiating the Cairo Declaration with regard to Formosa. The U.S. attitude so far has been that it has not been possible to implement the Declaration in the present circumstances. However, officials of the United States Government argue that, in such agreements which relate to the settlement of a number of international problems arising out of the war, any obligational feature which may arise should be construed in relation to all their parts and not to any separate part. Thus, for instance, the Cairo Declaration, in addition to referring to Formosa, declared that it was the intention of the participants at the Cairo Conference to establish a unified, independent and democratic Korea. Since the Soviet Union is judged to have committed a breach in its undertaking to unify Korea by establishing in practice an arbitrary partition of that country, and since later the unification of Korea was sought by the authorities of North Korea with the aid of Communist China by force, it may be argued that the declaration as a whole no longer has validity. I think this aspect of the problem also requires examination.

8. For these reasons I should be inclined to agree with Mr. Holmes' statement that "the opinion of the Legal Division may need some modification". I should think that it might well be argued from precedent that, under certain conditions, Article 107 does not prevent the United Nations from considering and making recommendations regarding the status of an ex-enemy territory, even if such recommendations are not in accordance with the terms of the agreements signed by the main allied powers. The proviso would be that it should be established that the question concerned constituted a direct threat to the peace within the meaning of Chapter VII of the Charter.

W. J. Anthony

50056A-10
27 27

OTTAWA FILE
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REDUIT A SECRET
SECURITY CLASSIFICATION
TOP SECRET ?

Despatch No. 2038

Date..... May 12, 1951

FROM: THE HIGH COMMISSIONER FOR CANADA IN THE UNITED KINGDOM,
LONDON
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference..... Our telegram No. 1171 of May 11, 1951

Subject:..... Government policy on Formosa

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MAY 14 1951

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Post File
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In our telegram under reference we mentioned the statement made by the Foreign Secretary on May 11 concerning the United Kingdom Government's policy on Formosa. Attached hereto is the Hansard text of Mr. Morrison's statement.

2. This statement may usefully be read in conjunction with that of General Marshall before the Senate committees on May 7.

3. You will note Mr. Morrison's remark that "in the view of His Majesty's Government this is a question which could usefully be considered by the United Nations at the appropriate time." During the questions which followed his statement, Mr. Morrison agreed that it was "clearly desirable that the wishes of the inhabitants of Formosa should be taken into account."

4. In reply to another question, Mr. Morrison said that his statement made it clear that there was no change in policy from the time when Mr. Attlee made his statement to the House on December 14, 1950. (Our despatch No. 3272 of December 15, 1950, at paragraphs 7 and 8). 50067.A.10.

Circulate to:

~~Mr. Norman~~
~~"Kinning"~~
~~"Goulet"~~
~~"P. A. D."~~
✓ file

I. R. Horne
Jnth High Commissioner.

R. L. ROGERS

14 MAY 1951

Y

FORMOSA (GOVERNMENT POLICY)

The Secretary of State for Foreign Affairs (Mr. Herbert Morrison): With your permission, Mr. Speaker, and that of the House, I desire to make the following statement.

In the course of the debate in the House on 14th December last the Prime Minister said that the question of Formosa was one of the most difficult in the Far East. That is still the position. At the Cairo Conference in 1943 the United States, the United Kingdom and China agreed that Formosa should after the war be returned to the Republic of China. The Cairo Declaration also proclaimed the intention that Korea should

in due course become free and independent. It also expressed acceptance of two principles: non-aggression and no territorial ambitions.

My right hon. Friend the Prime Minister, therefore, went on to remark in the course of the same debate that until China shows by her action that she is not obstructing fulfilment of the Cairo Declaration in respect of Korea and accepts the basic principle of that Declaration, it will be difficult to reach a satisfactory solution of this problem. His Majesty's Government are of the opinion that the objectives of the Declaration can be achieved only in the context of a genuine and satisfactory Far Eastern settlement, the first step towards which must be a settlement in Korea.

In fact, the problem of Formosa has now become an international problem in which a number of nations apart from those signatory to the Cairo and Potsdam Declarations are closely concerned. In the view of His Majesty's Government this is a question which could usefully be considered by the United Nations at the appropriate time. It is not however the urgent problem. The most pressing of the problems facing us in the Far East is that of Korea and in our view it would be premature to discuss the future of Formosa so long as the operations continue in Korea.

The question of Formosa will, however, come up in the context of the Japanese Peace Treaty. Our aim here is to secure an early Peace Treaty without allowing the difficult issue of Formosa to delay its negotiation and without attempting in the Treaty to find a final solution to an issue which must be given careful consideration later in the general context of the Far Eastern situation.

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C. Glover/jme Ext. 181B
Am. & F. E. Div.



OTTAWA FILE
No.....

Letter No... Y-.....

Date... May 12, 1951.....

SECURITY CLASSIFICATION
CONFIDENTIAL

FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO:

Reference.....

Subject: Formosa.....

50056-A/40
27 27

I enclose the following document:

Telegram No. 251, dated May 10, 1951, from the Secretary of State for Commonwealth Relations, London, England.

A.D.P. HEENEY

Under-Secretary of State
for External Affairs

SENT TO THE FOLLOWING:

- TOKYO - Y-936 ✓
- NEW DELHI - Y-809 ✓
- NEW YORK - Y-815 ✓
- WASHINGTON - Y-1932 ✓

Copies Referred To.....
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Post File
No.....

Ottawa, May, 12th, 1951.

To The Hon. L.B. Pearson,

Parliament Bldgs, Ottawa,

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*no ad seen
at the time
written*

Dear Mr. Pearson,

I feel that I ought to apologize for writing to you, knowing how many demands there are upon your time, yet your name is more familiar to me than any of the others, and so I take this liberty. If my beef has no appeal to you the waste paper basket is handy, but if otherwise you will know the proper way to pass the thought along.

I am much concerned over the tension that is growing between the United States and Great Britain over several questions, but it is of Formosa that I would speak. Would it not be possible to de-militarize that island and make of it an experimental farm under the Trusteeship of the United Nations and run scientifically for the benefit of all Asiatics? It could be called The Asiatic Experimental Farm and the experiments carried on would cover all phases of Asiatic life, except the military. Especially would the task be to find scientific means of raising the standard of living of the whole people and of multiplying the quantity of food raised..

I feel that the coming together of the Asiatic people from every country for peaceful purposes would go a long way to dispel the hatred that is so rampant to-day and in its place friendship and understanding might grow.

Yours very truly,

I.M. Milliken.

14-8-11 (55)

COPY NO. 26 OF 26 COPIES

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR FOREIGN AFFAIRS, OTTAWA

UPGRADED TO SECRET
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CYPHER - AUTO

TOP SECRET

NO. 1171

LONDON, May 11, 1951.
(Rec'd: May 12, 1951.)

*Original on
50069-A-40.*

50056-A	40
27	27

Top Secret. At the Far East Department of the Foreign Office today we were shown, on an informal and confidential basis, a copy of Mr. Morrison's reply to Mr. Acheson's earlier personal message of April 30th re-stating the views of the United States Government on the Korean situation, referred to in Washington teletype WA-1884 of May 4th. This reply was sent yesterday through the British Embassy in Washington. You may be receiving a summary based upon the reply through the Commonwealth Relations Office, but since we were able to take notes the main points are summarized below for your own information:

(1) General approach, and (2) ending the war in Korea.

The message starts by referring to the large area of common ground underlying Anglo-American policy in the Pacific, and expresses agreement with Mr. Acheson's statement that short of a change in the aggressive Communist purposes it is difficult to see how hostilities can cease. Communist aggression in Korea must be opposed with United Nations force. It goes on to say, however, that a final political settlement cannot be achieved by military force but only by negotiation.

(3) Air counter-attack

Mr. Morrison's message states that in the event of heavy air attacks he agrees that there would be no alternative but to meet the threat by the most effective

military means at our disposal, i.e., by bombing bases in China from which the original attacks are launched. This involves risks which must be foreseen. The United Kingdom Government have decided that in the event of heavy, repeat heavy, air attacks on United Nations forces from bases in Chinese territory, the United Kingdom Government will associate themselves with the policy of retaliatory action against those bases in order to prevent future attacks and reduce the loss to United Nations forces. The message emphasizes, however, that this was a decision in principle, and that it had to be borne in mind that the consequences were grave and might even involve general war. In view of the gravity of these consequences the decision to authorize such retaliatory air action should be subject to concurrence "by us" at the time. Mr. Morrison points out that it is not really a question of "confidence" but of the responsibility of the United Kingdom Government on policy matters from which they could not divest themselves. The suggestion is put forward that just as on the United Kingdom side a decision of the Prime Minister would be required to confirm the authorization for retaliatory action, it is assumed that on the United States side a presidential decision would also be required.

In recognition of the fact that such a decision might have to take place at short notice, the message requests that full factual information should be made available on the scale and nature of the Communist air attacks on United Nations forces, and suggests that possibly the British Joint Services Mission in Washington might be an appropriate channel for this purpose. Further, the request is made that full details should be made available as to the evidence bearing on such attacks, particularly in view of the fact that United Kingdom estimates of Chinese air strength are generally lower than current United States estimates.

It is also emphasized that other Commonwealth Governments, naming Canada, Australia, New Zealand and South Africa, which are contributing forces in Korea have a definite interest in this problem and that adequate consultation with them on this point would be necessary.

In stating these views, it is emphasized that they pertain to the possibility of air attack from bases in China, and that the foregoing decision did not, repeat not, apply to the case of possible attack originating from Soviet bases, which would have to be separately considered.

(4) Selective economic embargoes.

On this point Mr. Morrison's message begins by stating that the United Kingdom is opposed to political sanctions, that such measures would not influence Chinese behaviour with regard to Korea, and might only operate to give the Russians a propaganda point. So far as economic sanctions are concerned, the message points out that with the exception of rubber no goods of direct military value from British sources had gone to China over a considerable period, and covers ground similar to that covered in two recent statements in the House of Commons by Sir Hartley Shawcross which we are reporting separately. A special point is made of the position of Hong Kong. It is pointed out that Hong Kong in Chinese Communist hands would be a menace to the South Pacific area and that if normal trade in consumer goods were cut off the population of Hong Kong would become a likely target for Communist infiltration. Steps would be taken to ensure that no exports to China which would contribute to the Chinese war effort went from Hong Kong. But to cut off all commercial contacts would make no difference to the fighting in Korea and would mean the ultimate loss of an important centre of free speech and western ideas in the whole area. The phrase is used: "I am sure you would not wish to give Hong Kong to the Chinese".

It is also pointed out that the United Kingdom is opposed to general as distinct from selective economic sanctions against China, and the argument made that such measures would not obtain general support among the Europeans and Asians. While agreeing to the principle of a selective embargo, the Good Offices Committee should be given the opportunity of continuing its efforts to establish contact with Peking. The United Kingdom Government has decided that they would not press for any delay in the presentation of a resolution dealing with a selective economic embargo from the Additional Measures Committee to the Assembly.

(5) Admission of Communist Chinese representatives to the United Nations. On this point the message re-states the United Kingdom position that Communist China is a political fact, which must be "recognized", and states that in the opinion of the United Kingdom Government the legal arguments are conclusive. It adds that the United Kingdom Government could in no way act to imply support for the fiction that Chiang Kai-Shek's representative in the United Nations could speak for China. You will recall that Mr. Acheson had suggested that a "moratorium" should be placed on this question, and in Mr. Morrison's reply he asks for further clarification of what is implied by a "moratorium".

(6) Public declaration.

Here Mr. Morrison agrees that the time is not propitious for the issuance of a public declaration of aims. At the same time he expresses the view that it is important to give a lead to public opinion on the general aims of United Nations policy and expresses the view that if a stalemate should be reached in the fighting such a declaration would have considerable value. He hopes, therefore, that Mr. Acheson would continue to consider this possibility further with Sir Oliver Franks in the hope that a statement could be eventually issued.

2. The foregoing are the principal points in the message. Your attention is also drawn to a statement which Mr. Morrison made in the House this morning (which he had expected to make yesterday) dealing with Formosa. We have not been able to obtain the full text, but its principal points are as follows:

3. The statement begins by referring to the previous statement made in the House by the Prime Minister on December 14th, reiterating the fact that United Kingdom policy with respect to Formosa was based on the Cairo Declaration. As the Prime Minister had indicated earlier steps could not be taken to implement the Cairo Declaration until China showed that she was not obstructing the fulfilment of the declaration. This had not been the case and it had been difficult to reach a solution. In the opinion of the United Kingdom Government the objectives of the declaration can be achieved only in the context of a general Far Eastern settlement, the first step in which must be a settlement in Korea. Formosa was now an international problem in which a number of nations apart from those signatory to the Cairo and Potsdam Declarations are chiefly concerned. Its disposition could only usefully be considered by the United Nations at an appropriate time. It was not, however, an urgent problem. The most pressing of the problems facing us in the Far East is Korea, and it would be premature to discuss Formosa so long as operations in Korea continue.

4. Mr. Morrison added that the question of Formosa would come up in connection with the Japanese Peace Treaty. Here the aim would be to secure an early peace treaty without allowing the question of Formosa to delay its negotiation and without attempting in the treaty to find a final solution to an issue which must be given later consideration in the context of the whole Far Eastern situation.

HIGH COMMISSIONER

(COPY) **DOWNGRADED TO SECRET**
REDUIT A SECRET

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FROM CJS LONDON 141820Z

TO SECRETARY CSC OTTAWA

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SPECTRA.

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TOP SECRET. CJS(L)M 315

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FOR HEENEY FROM FOULKES

Further to my CJS(L)M 311

1. I had a long talk with Admiral Sherman and General Greunther on the question of Formosa. They both explained that the strategical value of Formosa was more negative than real. In other words they would be quite happy with Formosa being neutralized or in the control of anybody except the Communist Chinese. They emphasized that it would in the American Chiefs' view be intolerable to have their air routes between Okinawa and the Philippines interfered with by long-range fighters based on Formosa. I then put the direct question as to whether Formosa was of such strategical value to the U S that it was worth while fighting for. Both Sherman and Greunther came back immediately to say that in their opinion it was not worth risking a war and hastened to reaffirm that that did not mean that the Americans had any intention of relieving the Seventh Fleet from the responsibility of stopping Communist China capturing Formosa. They said there was a great difference between fighting a war over Formosa and attempting to keep it neutralized. I then asked whether the importance of Formosa would lessen should the Americans leave Korea. They both agreed it would and emphasized that they weren't going to leave Korea until a satisfactory solution to the Chinese difficulty was reached. I then asked the question were they intending to build up and fight a major war to re-occupy North Korea. They both shrugged their shoulders and said they didn't think so. Greunther then went to some length to explain that it was very difficult to answer these

military questions without delving into the political business. He reaffirmed that the fighting in Korea was based on political considerations. Admiral Sherman intervened with remarks that there were always great difficulties in fighting these kinds of limited battles in which the Commander was constantly being tied by political considerations. He reaffirmed the view which I had expressed in a recent paper regarding strategical bombing. That it was necessary continually to remind the political authorities that when these political battles developed into a stage where the security of the allied forces was threatened, then it must be understood that the military commander must be allowed to use all the weapons and all the facilities at his disposal whenever and wherever he sees fit for the security of his forces. Sherman said he was very worried over this question of hamstringing the Military. I then asked the question as to where in their opinion our main strategical interest lies. They both agreed it was in Western Europe and they both reluctantly came to the conclusion that there was a grave danger of trying to save face in the Far East and having too little too late in the West. However they continued to argue that to admit defeat in the East would only hasten the day when the Russians would feel strong enough to take us on in the West. Perhaps as you know it is common knowledge that Greunther is to be the Chief of Staff to Eisenhower and therefore I felt it desirable to secure his views on this question as there is no doubt he will be advising Eisenhower over this weekend. Greunther and Sherman left by air last night to brief Acheson and Pace before they come to the meetings in Brussels. Greunther was not sure whether he was coming back to Brussels but I rather suspect he is because Spofford remarked to me last night that he would be very unhappy if he could not get Greunther's advice in Brussels.

From other sources I have gathered that there is genuine concern about Greunther leaving the Pentagon.

2. Dana and I are busy re-writing your paper on re-organization of NATO. I will be quite surprised if you recognize the paper by the time you arrive in Brussels. I am attempting to bring the military paragraphs into line with what we have been discussing here. Then if you and Claxton agree with the paper I suggest that Dana should peddle around the political parts and I should attempt to get the Military people to agree with the military parts. It is my view that we will never get the paper accepted without this kind of preparation. You would be surprised at the alarm and despondency which your paragraph on the military side created in the Military Sections. I am quite sure we must regain the Military confidence which we have had before and as you know the smaller nations still look to Canada to take the lead in the Military Committee in military affairs. Looking forward to seeing you in Brussels. We hope to have the paper ready by then.

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Mr. Henry

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May 11, 1951.

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MEMORANDUM FOR THE UNDER-SECRETARY

*Sent to
minister
16.5.51*

Attached for transmission to the Minister if you concur is a letter replying to a letter of May 4, 1951, from Mr. Lloyd B. Graham of Calgary, Alberta.

2. Mr. Graham has produced the novel idea that **FORMOSA** should be returned to Japan rather than to China and is understood to be going to Japan in the near future. I have therefore thought it best to refute his arguments at some length.

E. H. M.

American and Far Eastern Division.

12.5.12(05)

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R.*

May 11, 1951.

MEMORANDUM FOR THE MINISTER

Attached for signature, if you concur, is a reply to the letter of May 4 which you received from Mr. Lloyd B. Graham of Calgary, Alberta.



A.D.P.H.

*Letter mailed from
Minister's office
16-5-51*

*16-5-18(55) h
12.5.12(55)*

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May 11, 1961.

Dear Sir,

Thank you for your letter of May 4 in which you give your views as to the proper disposition of the island of Formosa.

There appear to be one or two facts in connection with Formosa which have escaped your attention. The island has had a substantial Chinese population since the year 1644 and was a part of the Chinese Empire from 1661 to 1895. The "legal agreement" to which you refer is no doubt the Treaty of Shimonoseki. This, as you state, was a legal agreement between China and Japan but it cannot have escaped your attention that China accepted the Treaty only because it had been defeated in the Sino-Japanese war. When the Cairo Declaration agreed to "restore" Formosa to China, its language therefore could well be considered correct. Messrs. Churchill, Roosevelt, and Chiang Kai-shek used this language with respect to Formosa for the same reason they used it with respect to Manchuria: Japan had seized the area by force even though in the case of Formosa that seizure was later recognized by a treaty.

It is true that at the present time Formosa is in law part of the Japanese Empire but this is a situation which can be expected

Lloyd B. Graham, Esq.,
"Home Acres", Box 7,
Calgary, Alberta.

..2

to last only until a peace treaty is concluded with Japan. It cannot be said that the Treaty of Shimonoseki will be violated as you suggest and that this will be a bad example to the Japanese when they regain complete control of their own affairs. Since the rise of modern diplomatic practice, it has been recognized that a later treaty can reverse or alter the effect of an earlier treaty without any suggestion of a breach of faith.

I am afraid that I cannot agree with your suggestion that it would increase oriental respect for occidental justice if Formosa were allowed to remain in Japanese hands. That Formosa should be returned to China is one point on which the Far East at least is almost unanimous.

After Formosa became part of the Japanese Empire, the Japanese government made several attempts to encourage emigration to the island but by 1938 the population of the island was 94% Chinese and approximately 6% Japanese, which I think indicates that Japanese attempts to remove surplus population to the island were unsuccessful.

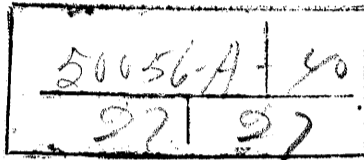
Yours sincerely,

L. B. Pearson.

BRITISH INFORMATION SERVICES

AN AGENCY OF THE BRITISH GOVERNMENT

OFFICIAL TEXT



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See Report
See Report
T.22
Washington, D. C. + file
May 11th, 1951. FRM

STATEMENT BY MR. MORRISON ON FORMOSA

Following is the text of a statement on Formosa made by the Foreign Secretary, Mr. Herbert Morrison in the House of Commons on May 11th:-

R. L. RO
23 MAY 19

In the course of the Debate in the House of 14th December last the Prime Minister said that the question of Formosa was one of the most difficult in the Far East. That is still the position. At the Cairo Conference in 1943 the United States, the United Kingdom and China agreed that Formosa should after the war be returned to the Republic of China. The Cairo Declaration also proclaimed the intention that Korea should in due course become free and independent. It also expressed acceptance of two principles: non-aggression and no territorial ambitions. My Right Honourable Friend the Prime Minister therefore went on to remark in the course of the same Debate that until China shows by her action that she is not obstructing fulfilment of the Cairo Declaration in respect of Korea and accepts the basic principle of that Declaration, it will be difficult to reach a satisfactory solution of this problem. His Majesty's Government are of the opinion that the objectives of the Declaration can be achieved only in the context of a genuine and satisfactory Far Eastern settlement, the first step towards which must be a settlement in Korea.

In fact the problem of Formosa has now become an international problem in which a number of nations apart from those signatory to the Cairo and Potsdam Declarations are closely concerned. In the view of His Majesty's Government this is a question which could usefully be considered by the United Nations at the appropriate time. It is not however the urgent problem. The most pressing of the problems facing us in the Far East is that of Korea and in our view it would be premature to discuss the future of Formosa so long as the operations continue in Korea.

The question of Formosa will, however, come up in the context of the Japanese Peace Treaty. Our aim here is to secure an early peace treaty without allowing the difficult issue of Formosa to delay its negotiation and without attempting in the treaty to find a final solution to an issue which must be given careful consideration later in the general context of the Far Eastern situation. "

In answer to a supplementary question regarding consultation of the Formosan people, Mr. Morrison said that he thought this point should be borne in mind at the appropriate time and that it was clearly desirable that the wishes of the inhabitants of Formosa should be taken into account.

FROM: THE SECRETARY OF STATE FOR COMMONWEALTH RELATIONS

TO: THE HIGH COMMISSIONER FOR THE UNITED KINGDOM IN CANADA

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*Korean had no for Done J.M.E.
memo - [unclear] [unclear]
- [unclear] [unclear]
- [unclear] [unclear] not a force*

Sent 7.20 p.m. 10th May 1951

Recd 5.20 p.m. 10th May 1951.

To Sec. in [unclear]

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Circular 7, No. 251

Confidential

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Formosa.

Following is the text of a statement on Formosa which Foreign Secretary proposes to make in House on 11th May, in answer to a Private Notice Question. Please do not pass this information to Commonwealth authorities until we telegraph that statement has been made. Begins.

"In course of Debate in House of 14th December, last, Prime Minister said that question of Formosa was one of the most difficult in Far East. That is still position.

At Cairo Conference in 1945, United States, United Kingdom and China agreed that Formosa should, after the war, be returned to Republic of China. Cairo Declaration also proclaimed the intention that Korea should in due course become free and independent. It also expressed acceptance of two principles: non-aggression and no territorial ambitions. My Right Honourable Friend, the Prime Minister, therefore went on to remark in course of same debate that until China shows by her action that she is not obstructing fulfilment of Cairo Declaration in respect of Korea and accepts the basic principle of that Declaration it will be difficult to reach a satisfactory solution of this problem. His Majesty's Government are of opinion that the objectives

- 2 -

of the Declaration can be achieved only in the context of a genuine and satisfactory Far Eastern settlement, first step towards which must be a settlement in Korea.

In fact problem of Formosa has now become an international problem in which a number of nations apart from those signatory to Cairo and Potsdam Declarations are closely concerned. In view of His Majesty's Government this is a question which could usefully be considered by United Nations at appropriate time. It is not however the urgent problem. Most pressing of the problems facing us in Far East is that of Korea and in our view it would be premature to discuss future of Formosa so long as operations continue in Korea.

Question of Formosa will however come up in the context of Japanese Peace Treaty. Our aim here is to secure an early Peace Treaty without allowing the difficult issue of Formosa to delay its negotiation and without attempting in treaty to find a final solution to an issue which must be given careful consideration later in the general context of Far Eastern situation.

It is probable that a question regarding consultation of the Formosan people will be asked. In this case the reply will be that His Majesty's Government consider that this point should be borne in mind at the appropriate time.

10.5.51

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Formosa File

Extract from Mr. Pearson's Statement of May 7, 1951,
on Canadian Policy in the Far East during the
House of Commons Debate on External Affairs
Estimates

Another--and I suppose at the moment the most pressing-- problem we face with the United States, because it is indeed a phase of United States-Canadian relations though it is also of far wider and deeper significance, involving as it does the whole question of global war or global peace, is the policy to be adopted at the present time in Korea. For the time being I think the role of diplomacy in Korea is secondary, because the scene there is now dominated by the heavy fighting which has been going on for the past few weeks. The first wave of the new Chinese attack has been checked and broken by United Nations forces, but the attack is not yet spent--far from it. This is probably just a lull before another storm. So it seems to me that for some time to come, while this heavy fighting is going on, the task of upholding the purpose and will of the United Nations in Korea must rest upon the fighting men who have withstood so courageously the attacks made upon them by much more numerous enemy forces. One Canadian battalion, as we know, has had an important part in the recent fighting. Additional Canadian troops have now arrived in Korea, and before many more days have passed a full Canadian brigade group will be in action. These men, along with those of the other United Nations forces, and particularly the forces of the United States, will have more effect upon the course of events in Korea over the next few weeks than any diplomatic moves; and I know the thoughts of every one of us will be with them, and perhaps especially with those of our own men who are going into action for the first time.

In those circumstances perhaps it would not be appropriate for me to say too much about the actual situation in Korea, but there are a few things I should like to say. The present Chinese attack must be broken before we can again begin to entertain any hope of a peaceful and honourable settlement there. When it has been broken, as we hope it will be, and with heavy losses to the enemy, the Chinese communists may be in a mood to negotiate an honourable settlement--the only kind of settlement we have ever contemplated--or at least to desist from further attacks. While I think it would be quite unrealistic to hold out hope of an early settlement in Korea, or even of an early end to the fighting, nevertheless we should always remember that the United Nations stands ready to negotiate, though not to betray its trust or yield to blackmail. The statement of principles adopted by the general assembly by an overwhelming majority on January 13 last, which would provide for a cease-fire to be followed by a Korean settlement and by the negotiation of a wide range of Far Eastern problems, still represents the considered opinion of the United Nations. If the Chinese government and the North Korean government wish to take advantage of the offer contained in that statement, it is open to them to do so. Of their willingness to do so, however, there is no sign whatever. The approaches made to Peking by the good offices committee established by the United Nations assembly have all been rebuffed. The North Korean government, in a broadcast message as late as April 18, has repeated its determination to drive the United Nations forces from the peninsula. We can only hope that the heavy losses which the aggressors are now suffering and will suffer in Korea may produce a more accommodating frame of mind.

In the meantime, the United Nations forces are heroically and skillfully fulfilling the task which has been given to them, which is the defeat of armed aggression in Korea. This is--and it should not be forgotten--the sole military objective of the forces of the United Nations in Korea, the defeat of aggression so that a free, democratic and united Korea can be established. It is also worthy of note, I believe, that, as Mr. Warren Austin, the United States delegate to the security council, said on May 1--I quote from his statement:

The United Nations has not declared, nor has it ever been asked to declare, that the political objectives--

That is, a democratic, free and unified Korea,

--must be achieved by military means. In fact, the emphasis has been quite the contrary.

Furthermore, Mr. Speaker, I suggest it is not an aim or objective of the United Nations in its Korean policy to interfere in the internal affairs of any Asian country, to replace one regime by another. Its aim, as I said, is to defeat aggression and so prevent other acts of aggression by proving that aggression does not pay. To some that may seem to be too limited an objective. On this point the well known columnist Mr. Walter Lippmann had this to say the other day--and I quote from his article:

Only a limited objective can be obtained by a war which is limited. The question now is whether the country--

He was referring to his own country, the United States.

--will agree with reasonable unity that our military objective in Korea is the limited one of repelling aggression south of the 38th parallel and restoring the South Korean republic. We can, and we should, still hold it as a political and diplomatic objective that Korea should eventually be united by democratic means. But we cannot unify Korea by a war confined to the Korean peninsula, and we shall get nowhere in this controversy until we make the choice of limited objectives out of a limited war or unlimited objectives out of an unlimited war.

It is also sometimes loosely said that the United Nations forces are fighting in Korea to defeat communism. There is perhaps some colour for this mistake, since the aggression perpetrated is by communist states, and has its roots in the totalitarian communist nature of those states. Free men everywhere must be determined to resist communism. But it is a confusion, I think, of categories to think that communism as a doctrine or form of government must be fought by armed forces, or that such is the purpose of the United Nations military action in Korea. When communism, or indeed fascism, results in acts of military aggression, that aggression should be met by any form of collective action, including military collective action, which can be made effective. But the purpose of such action is to defeat aggression. Communism itself, as a reactionary and debasing doctrine, must be fought on other planes and in different ways; by the use of economic, social, political and moral weapons. As Sir Norman Angell put it in a letter to the New York Times the other day:

The vital distinctions in this matter are not difficult or very obscure. We can overcome, and still better, deter, military aggression with military force . . . But if we use military power to dictate or to appear to dictate to other nations, Asiatic or

European, what social or political or economic system they may adopt for themselves, we shall awaken a nationalism which in the end will defeat us.

Since the United Nations objective in Korea, then, is to defeat aggression, it follows, I think, that the methods used should be designed to limit and localize the conflict and not to spread it. As long ago as August 31, 1950, I said in this house that it was not the purpose of this government to support any course of policy which would extend the scope of the present conflict in Korea, a conflict which should be confined and localized if it is in our power to do that; also that United Nations policy should be to avoid giving anyone else an excuse for extending the conflict. Mr. Speaker, that is still our view.

One way by which the conflict could be spread would be by authorizing the United Nations commander in Korea to conduct aerial bombing of China. As I said on April 26 last in the house, it is possible to visualize a situation in which immediate retaliatory action without prior consultation might be unavoidable in pursuing enemy bombers back to, and in attempting to destroy, the Manchurian air bases from which they came. It is our view, however, that the bombing, as well as the blockading, of China should, if at all possible be avoided, since such action would involve grave risk of extending the fighting without, as we see it, any corresponding assurance that such extension would end the war. The history, the position, the social and economic organization, and the political situation in China would not seem to give much hope for any such decisive result from such limited action. Indeed, it may be felt, on the contrary, that this limited action which has been suggested would inevitably develop into unlimited action against China, about the possible result of which the Japanese perhaps are best fitted to give testimony. One result we can, however, expect with some certainty, and that is great satisfaction in Moscow over such a development. It may be that the Chinese communists, by indulging in massive air activity over Korea, will make some kind of retaliation necessary. They have, however, not yet taken such action, and in that sense have not yet conducted an all-out war against the United Nations forces in Korea. As General Bradley put it in an address in Chicago on April 17:

Communist air intervention has not been a factor in the ground action to date. Neither has it been any serious threat to our air force.

If the Chinese communists change that situation, the responsibility for the consequence would rest entirely with them and not with the United Nations forces.

I am, of course, Mr. Speaker, aware that this policy of restraint in which all the governments who have forces in Korea concur to the best of my knowledge, may complicate the problems facing the United Nations commanders in Korea. These problems, however, in the opinion of many, would be immensely more complicated if the fighting were extended to China.

The question, I think, above all other questions at the moment, is, in short, whether aerial bombardment of points in China, together with a naval blockade and the removal of all restrictions from Chinese forces in Formosa, would be sufficient to bring China's participation in the war in Korea to an end, without bringing about intervention by the forces of the Soviet union. It was felt by many last November that if United Nations forces advanced to the very borders of Manchuria and cleared north Korea of the enemy, the war would then end; that there would be

little risk of communist China intervening, or, that, if it did, the intervention could be contained and defeated. As we know, and as I said last February in the house, it did not work out that way, for one reason or another. In the light of that experience, we should, I think, before we take any new decisions which will extend the war, be reasonably sure that this extension will have compensating military and political advantages. Let us not forget we would be playing for the highest stakes in history.

Another way in which the conflict could be extended, in the hope that it would be ended sooner, would be by facilitating and assisting the return to the mainland of China of the forces at present in Formosa under the command of Generalissimo Chiang Kai-shek. We should remember, of course, that these forces, or forces under the same command, have been driven from China by their own countrymen. The question to be answered, therefore, is this: Is there any reason to believe that these Chinese nationalist forces now in Formosa would have greater success in China than they had previously, unless they were supported by troops and equipment from other countries which could ill be spared for such a hazardous venture, with all its possible long-drawn-out consequences?

The desire to localize the conflict and prevent it from spreading remains, then, our policy, though we must recognize that while it takes only one to start a fight, it takes two to limit, as well as two to settle, a fight.

May I now say just a word in conclusion, Mr. Speaker, about our views--I have been asked about this in previous statements in the house--on the situation in Formosa. I believe that this island should be neutralized while fighting is going on in Korea. I have expressed that view previously. Certainly the United States of America cannot be expected to permit the Peking government to take over Formosa while that government is defying, and fighting against, the United Nations. It does not follow, however, that if and when the Korean conflict can be ended satisfactorily, we should refuse to discuss the future of Formosa within the context of international agreements that have already been reached concerning it, and indeed within the context of the United Nations charter. Any other course would, I think, result in implacable hostility between the United Nations and whatever government was in control of China at the time the war ended.

Until that war ends, however, and China abandons her attack against the United Nations in Korea, there can be, I think, no question of even discussing whether Formosa should be handed over to the Peking regime; at least that is our view. The same, I think, applies to recognition of that regime in Peking. There can be no question even of considering it while the Chinese defy the United Nations in Korea and fight against our forces there.

Nor do we think it realistic or right, while communist China is fighting in Korea, to include the Peking government in the current discussions of a Japanese peace treaty. In this regard, as in the case of the disposition of Formosa, the decision as to who shall talk and sign for China might well, I think--and even any discussion of this matter--be postponed until the Korean war is ended.

These are two questions which I know are uppermost in our minds these days. What is going on in the Far East? What is the policy of the alliance which has been built up, and which is getting stronger every day, to meet the dangers ahead, and within

that alliance what is the relationship of a junior partner like Canada to its neighbour and its very senior partner in this association, the United States of America? It is not easy these days to be too optimistic about the course of events; but time is going on, and while time is going on we are getting stronger. In that sense, but only in that sense, time may be said to be on our side if we take advantage of it. If we do take advantage of it, and if we grow stronger militarily, economically and in every other way, then I think, as I have said before, that we have no reason to regard the future with panic or despair. But the remedy, Mr. Speaker, rests with us.

Mr. Lapan

"Home Acres", Box 7,
CALGARY, Alberta,
4 May 1951.

*File
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SEEN

L. B. PEARSON

Rt. Hon. L.B. Pearson, M.A., LL. D.,
Minister of External Affairs,
Department of External Affairs,
OTTAWA, Canada.

Honoured Sir:

The press has carried a report that you have invited the members of Parliament to a meeting of the External Affairs Committee where Canada's views and advocated policies in foreign affairs may be discussed with you and members of your departmental staff. Though I will not be privileged to take part in this discussion, I wish to present my views to you as a Canadian Citizen regarding the just disposal of the island of Formosa.

I hope that you, as Canada's chief spokesman abroad, have not been deceived by Secretary of State Acheson's erroneous statements that Formosa was "stolen" from China by Japan. With your deep knowledge and understanding of History, undoubtedly you realize that these oft-repeated assertions are absurd and historically incorrect. By a legal agreement between China and Japan, Formosa has been a Japanese possession. This agreement has not been abrogated. Legally, Formosa still belongs to Japan.

At the Cairo Conference in 1943, Messrs. Churchill and Roosevelt were completely unjustified in agreeing to "restore" Formosa to China. Even now, the Nationalist Government of China is merely occupying the island as a refuge.

The present British Government's motives for advocating turning Formosa over to the Communist Government in China seem basely opportunistic, and analagous to the actions of the most ubiquitous "fellow-traveller" at the individual level. Much as we may desire Commonwealth solidarity, our national conscience cannot allow us to echo the unjust and appeasing Formosa policy of the British Government.

In my opinion, the best solution would be the return of a thoroughly cleansed and reformed Nationalist Government to the Chinese mainland, with Formosa remaining a Japanese possession to which her exploding population surplus could migrate, and from which Japan could obtain needed raw materials.

In these days, international agreements are being broken on all sides. We could begin to restore the integrity of such agreements by respecting the treaty by which Formosa was transferred by China to Japan in the early days of this century. We cannot expect a defeated but resurgent Japan to respect future international agreements if we encourage violation of existing agreements.

Already the Japanese people have been terribly punished

10-5-11 (SS)

Rt. Hon. L.B. Pearson. (Continued) (2)

for their aggression, and it would serve only to make them our enemies if we set the poor example of advocating a rupture of the original Sino-Japanese Treaty re Formosa.

Therefore I suggest that you consider advocating the just return of Formosa to Japan as Canada's policy on this important question. Oriental respect for the Occident is at an all-time low. Canada has the chance to win the respect of 83,000,000 Orientals for Occidental justice and fair-play if you, as our Canadian foreign affairs spokesman, do what is right.

With admiration for your scholarly mind and sincere principles, I remain

Yours sincerely,

Lloyd B. Graham

Lloyd B. Graham,
Citizen and Elector.

~~Mr. [unclear]~~

~~Mr. [unclear]~~

~~Mr. [unclear]~~

~~[unclear]~~

CONFIDENTIAL

620 Fifth Avenue, Room 504,
New York 20, N.Y.,
April 27, 1951.

Dear George,

One of the more responsible press correspondents here asked me this morning about a report he had which seemed interesting. He said that a senator in Washington had been puzzled by Mr. Acheson's recent statement about United States policy with regard to Formosa, and had asked Mr. Acheson what was the purpose of his declaration to the effect that the United States role there was purely defensive. According to the senator, Mr. Acheson said that his intention had been to cover up Chiang Kai-shek's position; that Chiang did not want to make a landing on the Chinese coast and was worried about the pressure from the followers of MacArthur for such a landing. The difficulty was that if the United States Administration was to succumb to the pressure for arming the Nationalist Chinese for offensive purposes, they would expose the incapacity of the Nationalists for this purpose and also their disinclination for invasion.

This is the sort of story which could be of some importance if it were true. The correspondent seemed to have had this straight from the senator and was very confident in his report to me. On the other hand, it would be very easy for

.....

George Ignatieff, Esquire,
Canadian Embassy,
1746 Massachusetts Avenue, N.W.,
Washington 6, D.C.

30.4.22/51

2.

the senator by shifting emphasis or making false deductions to have misinterpreted what Mr. Acheson did say. I would not want to report to Ottawa anything as hazy as this, but I wondered if there might by any chance be any other evidence along these lines.

Yours sincerely,

John W. Holmes.

P.S. I am sending a copy of this letter to Escott.

Ex 80 A

*Circular to:
Mr. Norman
Mr. Brown
Mr. [unclear] CR*

50056-A-140
27 | 27

OTTAWA FILE
No.....

Despatch No. 1398
Date April 26, 1951

SECURITY CLASSIFICATION
RESTRICTED

FROM: The Canadian Ambassador, Washington, D.C.
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.... WA-1713 of April 25, 1951.....

Subject..... Military Assistance to Formosa.....

Secretary of State Acheson made reference in his press conference yesterday to the establishment of the United States Military Assistance Advisory Group for Formosa.

2. Mr. Acheson told his news conference that the United States still stands on the policy announced by President Truman at the start of the Korean war, i.e. to "neutralize" Formosa with a United States naval patrol to prevent Communist attack on the island and Nationalist attack upon the mainland. The Secretary of State made public an exchange of notes last January and February with the Chinese Government at Taipeh, which set out the terms under which military assistance would be provided to the Chinese Nationalists under the Mutual Defence Act of 1949. The United States note, which was accepted by the Chinese Government, stipulated, amongst other things, that the Chinese Government would use the material to maintain its internal security or its legitimate self defence. Failure by the Chinese Government to live up to the terms of the note would be regarded as contrary to the understanding of the United States Government and might be considered by the United States to be cause for the cessation of further deliveries. I enclose for your information five copies of the Department of State Press Release No. 312, which contains the United States note of January 30 and the Chinese reply of February 9.

3. Press reports have speculated on the possibility of \$250 million being apportioned for military assistance to Formosa for the fiscal year 1952 (commencing July 1, 1951). State Department officials, however, will not confirm this figure and say that an estimate cannot be given until the various foreign assistance programmes have been prepared for presentation to Congress.

4. United States officials have made it clear that there has been no change in the policy of "neutralization" of Formosa. It seems evident, however, that the United States is laying ever greater stress upon the defence of Formosa and the necessity of keeping the island from falling into unfriendly hands at this time.

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APR 30 1951

Copies Referred To.....

No. of Enclosures
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Post File

No.....

177 [unclear]

DEPARTMENT OF STATE

FOR THE PRESS

APRIL 25, 1951
NO. 312

TEXT OF EXCHANGE OF NOTES DATED JANUARY 30 AND FEBRUARY 9, 1951, RESPECTIVELY, BETWEEN THE AMERICAN CHARGE D'AFFAIRES, A.I., AND THE MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF CHINA, REGARDING THE EXTENSION OF MILITARY AID TO CHINA BY THE UNITED STATES

"American Embassy,
"Taipei,
"January 30, 1951.

"Excellency:

"Pursuant to instructions from my Government, I have the honor to deliver the following statement:

"The Government of the United States is prepared to make available to the Republic of China under the terms of P. L. 329, 81st Congress, as amended, certain military material for the defense of Taiwan against possible attack.

"This material, and any other furnished under the authority of the law referred to, is transferred on the understanding that it will be used and disposed of pursuant to the following undertakings and that failure to do so by the Chinese Government will be contrary to the understanding of the United States Government, and may be considered by the United States to be cause for the cessation of further deliveries (it being understood that the undertakings contained in the first three paragraphs below apply as well to the material transferred to the Chinese Government under that law since June 27, 1950);

"1. The Chinese Government will use the material to maintain its internal security or its legitimate self-defense.

"2. The Chinese Government will take such security measures as may be agreed in each case between the United States Government and the Chinese Government in order to prevent the disclosure and compromise of classified military articles, services or information furnished by the United States Government.

"3. The Chinese Government agrees to receive personnel of the United States Government who will discharge in the territory under the control of the Chinese Government the responsibilities of the United States Government under this agreement and who will be accorded adequate facilities to observe the progress of the assistance furnished, to confirm that the material furnished is being used for the purposes for which it is provided, and to carry out such other operations or arrangements as shall be mutually agreed pursuant to this agreement. Such personnel, including personnel temporarily assigned, will, in their relations with the Chinese Government, operate as a part of the United States Embassy, under the direction and control of the Chief of the United States Diplomatic Mission. //

"His Excellency

"Dr. George K. C. Yeh,

"Minister of Foreign Affairs,

"Taipei.

"4. The

"4. The Chinese Government will not transfer, sell, otherwise dispose of the material provided pursuant to the above undertakings, or any other equipment susceptible of military use, without regard to its source, or the time or manner of its acquisition, without first obtaining the assurance of the United States Government that such equipment or material is not required by the United States for its own use or required to support programs of military assistance undertaken by the United States.

"The United States Government would appreciate a written assurance from the Chinese Government of its acceptance of the undertakings in this note."

"Accept, Excellency, the assurances of my highest consideration."

"K. L. RANKIN"

"Taipeh, Taiwan
"February 9, 1951

"Monsieur le Charge d'Affaires:

"I have the honor to acknowledge receipt of your note No. 13, dated January 30, 1951, which reads as follows:

"Pursuant to instructions from my Government, I have the honor to deliver the following statement:

"The Government of the United States is prepared to make available to the Republic of China under the terms of P.L. 329, 81st Congress, as amended, certain military material for the defense of Taiwan against possible attack.

"This material, and any other furnished under the authority of the law referred to, is transferred on the understanding that it will be used and disposed of pursuant to the following undertakings and that failure to do so by the Chinese Government will be contrary to the understanding of the United States Government, and may be considered by the United States to be cause for the cessation of further deliveries (it being understood that the undertakings contained in the first three paragraphs below apply as well to the material transferred to the Chinese Government under that law since June 27, 1950);

"1. The Chinese Government will use the material to maintain its internal security or its legitimate self-defense.

"2. The Chinese Government will take such security measures as may be agreed in each case between the United States Government and the Chinese Government in order to prevent the disclosure and compromise of classified military articles, services or information furnished by the United States Government.

"3. The Chinese Government agrees to receive personnel of the United States Government who will discharge in the territory under the control of the Chinese Government the responsibilities of the United States Government under this agreement and who will be accorded adequate facilities to observe the progress of the assistance furnished, to confirm that the

"Mr. Karl L. Rankin,
"Charge d'Affaires,
"American Embassy,
"Taipeh

material

material furnished is being used for the purposes for which it is provided, and to carry out such other operations or arrangements as shall be mutually agreed pursuant to this agreement. Such personnel, including personnel temporarily assigned, will, in their relations with the Chinese Government, operate as a part of the United States Embassy, under the direction and control of the Chief of the United States Diplomatic Mission.

"4. The Chinese Government will not transfer, sell, or otherwise dispose of the material provided pursuant to the above undertakings, or any other equipment susceptible of military use, without regard to its source, or the time or manner of its acquisition, without first obtaining the assurance of the United States Government that such equipment or material is not required by the United States for its own use or required to support programs of military assistance undertaken by the United States.

"The United States Government would appreciate a written assurance from the Chinese Government of its acceptance of the undertakings in this note."

"In reply, I have the honor to signify on behalf of the Chinese Government the acceptance of the undertakings set forth in your note under reference.

"Please accept, Monsieur le Charge d'Affaires, the assurances of my high consideration."

(Seal)

* * *

Paul

OTTAWA FILE
No.....

Letter No. **Y-1772** ✓
Date. **April 26, 1951.**

SECURITY CLASSIFICATION
S E C R E T

FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
Office of the
TO The/High Commissioner for Canada, London, England.

Reference:.....

Subject: **Formosa**.....

500 56-A | 40
27 | 27

I enclose, for your information,
the following document:

Despatch No. 1341 of April 21, 1951,
from the Canadian Ambassador, Washington,
D.C.

A.D.P. HEENEY

**Under-Secretary of State
for External Affairs.**

Copies Referred To.....
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No. of Enclosures One
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Post File No.....
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Similar sent to: Tokyo No. **Y-833** ✓
CPDUN, New York No. **Y-772** ✓

ORIGINAL

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

EN CLAIR

UNCLASSIFIED

WA-1713

WASHINGTON, April 25, 1951.

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S.

50056-A-40
27 27

Unclassified. Military assistance to Formosa. --
My WA-1553 of April 20th, 1951.

1. Deputy Defence Secretary Robert Lovett told a news conference yesterday that the size of the military aid assistance group to Formosa may be expanded to about 600 officers and men. He revealed that the purpose of the mission is to train Nationalist Forces in Formosa as well as to supervise the Military Assistance Programme.

2. Mr. Lovett said that he knew of no change in the announced policy of the United States Government to "neutralize" Formosa. A State Department spokesman is reported to have explained later that the aim of the arms assistance and the mission is defensive and that President Truman's policy to "neutralize" Formosa has not been changed by recent events. We obtained confirmation of this today from Edmund Clubb, Director of the State Department's China office.

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APR 26 1951

- Refer to
✓ SSEA *Do J B*
✓ USSEA *26/4/51*
✓ Mr. Norman
✓ Defence Liaison (1)
✓ " (2)
✓ J.I.S.
✓ Sec'y COSC (5 copies)

Circulate original to:
~~Mr. Maclean~~
" *Stovall*
" *Blackley*

CANADIAN AMBASSADOR

8 files
R. L. ROGERS
26 APR 1951

APR 26 1951
V. G. ROSEBA

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1951 APR 26 AM 9:31

TO: DIRECTOR, FBI
FROM: SAC, NEW YORK
SUBJECT: [Illegible]

[The following text is extremely faint and largely illegible, appearing to be a teletype message or a short report. It contains several lines of text, possibly including a subject line and a body of information.]

APR 26 1951
[Illegible text]

[Illegible text]

FILE COPY

OTTAWA FILE
No.....

Despatch No. Y-1713
 Date. April 25, 1951.

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
 TO: The Canadian Ambassador, WASHINGTON, D.C.
 My despatch No. Y.937 of March 1, 1950.
 Reference:
 Subject: Legal Status of Formosa.

50056-A-40
27 27

The Permanent Delegate of Canada in New York, in his despatch No. 274 of March 30 (copy of which is enclosed), raised certain questions with respect to the memorandum on the legal status of Formosa which was forwarded to you with my despatch under reference. These considerations have now been weighed in the department and a further memorandum on the subject prepared in the Legal Division is enclosed for your information. As you were concerned at San Francisco with Article 107, you might like to give an opinion on the relative merits of the arguments in this case.

E. H. Norman

for the
 Secretary of State
 for External Affairs.

Copies Referred To.....

No. of Enclosures

Post File
 No.....

File copy

Am. EFE/RLRogers/kb

FILE COPY

OTTAWA FILE
No.

Y-771

Despatch No.
 Date..... April 25, 1951.

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
 TO: The Acting Canadian Permanent Representative to the
 United Nations, New York, U.S.A.
 Reference: Your despatch 274 of March 30, 1951.
 Subject: Legal Status of Formosa.

50056A-20
27 27

I am enclosing for your information a copy of a memorandum prepared in the Legal Division of this department concerning the points raised in your despatch under reference. From this you will see that the position taken by the Legal Division in the memorandum enclosed with my despatch No. Y-435 of March 1 remains unchanged.

E. H. Norman
 for the
 The Secretary of State
 For External Affairs.

Copies Referred To.....
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No. of Enclosures One
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Post File No.....

ORIGINAL

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND

MINISTER TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

UNDR/SEC

D/UNDR/SEC

A/UNDR/SEC'S.

CYPHER - AUTO

SECRET

NO. 991

LONDON, April 23, 1951.

50056-A-	40
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Secret. My telegram No. 511 of 28th February, 1951. Following is United Kingdom situation report from Tamsui, Formosa, for period April 7th to 13th.

Begins:

Press generally agree MacArthur's relief means no change in American Far East policy. Comments restrained. Kung Lun Pao (Independent) condemns appeasement bloc and fears unfavourable effect on future events in Far East.

2. On April 9th government introduced new measures of control of foreign currency, etc. Official buying rate United States dollar raised to NT. dollars 15.90. But selling rate unchanged at NT. dollars 10.50. Official gold price raised from NT. dollars 500 to NT. dollars 667.80 a new tael. Private trading in gold and foreign currency made illegal. Bank of Taiwan establishing foreign exchange certificate market. Heavy penalties for manipulators and various austerity measures promulgated including banning luxury imports.

3. "Lady Wolmer" released from Keelung 9th April after cargo discharged.

4. Admiral Martin with large naval and air escort

visited Taipei 13th April and left same day. He was received by President Chiang.

23 APR 1951

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APR 23 1951

Refer to:
 Consular Div
 Legal Div
 Defence Liaison (2)
 U.S.
 Bank of Canada
 UN Div

To see:

~~Mr. Horn~~

R. L. ROGERS

23 APR 1951

5. T.F. Tsiang left 11th April for Lake Success,
Ok Yui, Governor Central Bank, returned 10th April
after one month's visit to United States and Philippines.
Ends.

HIGH COMMISSIONER

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COMMUNICATIONS
EXTERNAL AFFAIRS

1951 APR 26 PM 4:26

HIGH COMMISSIONER

Page 2

After one month's visit to United States and territories

for the purpose of general work returned to the

2. Mr. [Name] will visit for the purpose

FILE COPY

OTTAWA FILE

No.....

SECURITY CLASSIFICATION

CONFIDENTIAL

Letter No. **Y 1711** ✓

Date..... **April 23, 1951**

FROM: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: The Office of the High Commissioner for Canada,
LONDON, England.

Reference.....

Subject: **Military Assistance to Formosa**

50056-A	40
27	27

I enclose the document listed below:

Telegram No. WA-1553 of April 20, 1951 from
the Canadian Ambassador to the United States,
Washington, D.C.

A.D.P. HEENEY

Under-Secretary of State
for External Affairs.

Similar sent to:

Tokyo No. Y **801** ✓

Copies Referred

To.....
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No. of Enclosures

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Post File

No.....

DEPARTMENT OF EXTERNAL AFFAIRS

Subject.....

Date..... 1951 Publication.....

Mr. Hoover
Mr. Rogers
Mr. Blockley
Mr. [unclear]
Mr. [unclear]

STRATEGIC IMPORTANCE OF FORMOSA REWEIGHED

Chiang's Island Base and Forces Have Elements of Strength and Weakness

By HANSON W. BALDWIN
Special to THE NEW YORK TIMES.

WASHINGTON, April 21—One place and one man—Formosa and Chiang Kai-shek—were again storm centers of international politics this week.

Aid to Formosa and the island's retention as one of the bastions of our defense line in the Pacific were stressed by General of the Army Douglas MacArthur in his dramatic speech to Congress, and before the week ended plans for sending a 100-man military mission to the Chinese Nationalist stronghold were disclosed here.

But the apparent cause and effect were not necessarily related. The United States commenced sending military aid to Formosa in December after the Chinese Communist intervention in Korea, and ever since plans for sending a United States mission to the island have been under discussion. The mission now being sent, and the aid being dispatched—though a considerable change in our former hands-off policy—is limited; it by no means meets the dimensions of the program urged by the advocates of all-out aid to Generalissimo Chiang.

It will increase materially the island's ability to defend itself, but will not be sufficient, in the opinion of some who know the situation on Formosa, to enable Generalissimo Chiang to undertake any large-scale invasion of the mainland.

Strength and Weakness

Formosa and the Chinese Nationalist military forces based on the island, and Chiang Kai-shek are closely interrelated and any appreciation of the power and weaknesses of one is incomplete without a similar appreciation of the power and weakness of the other.

Generalissimo Chiang as a man and a political and psychological figure has elements of weakness and strength apart from the military power of Formosa. He is such a controversial figure that no unity of purpose centered on his person seems likely among the Allies, or even among the Chinese. He still has some political support on the mainland of China as well as on Formosa, and his name is better known throughout Asia than any other non-Communist Chinese leader. He is disliked by many, hated by some, loved by a few, but to many people his name has become a symbol for corruption, in-

efficiency and defeat. Some say he is the only man who could lead the Nationalists back to the mainland. Others say he is the only man who could not successfully perform this task.

Nevertheless, Formosa is the base for the largest native anti-Communist force in Asia, a force that has considerable potential strength but also presents grave weaknesses.

The strength of the Nationalist forces on Formosa has been put as high as 800,000 men; General MacArthur used the figure 600,000 in his address to Congress. Both figures are somewhat exaggerated. The "paper" strength of Formosa may once have been as great as 800,000; that is perhaps 800,000 men were carried on the rolls, but there was never actually this number of troops.

Payroll Reform

The Chinese Nationalist army pay system, which has been reformed within the past eighteen months, used to be centered around the division commander; the division commander kept the payrolls and paid his men from money given him by the Central Government. The more men he could show on his rolls, the more money he got. His figures, therefore, were often heavily padded; the division commander pocketed the difference.

When the payroll reform system was instituted thousands of "paper" men were sloughed off the rolls. Moreover, Formosans who once were inducted and trained with the Nationalist troops brought over from the mainland have, in the past year, been dismissed and returned to their farms, and the size of the army has been purposely reduced to lessen the drain on the Nationalist economy.

Today, the total size of the Nationalist armed forces—army, navy and air force, including supply troops and headquarters personnel—is probably about 500,000, and of these a considerably smaller figure represents combat ground troops.

Navy Weakest Service

The Nationalist navy, which is probably the weakest of the services from the point of view of combat efficiency, numbers about 43,000 officers and men, including some 11,000 marines who have been practicing amphibious operations in a limited and somewhat

primitive fashion. The navy has a magnificent officers' club and many admirals, but little sea-going tradition and only about seventy major vessels (of LST and destroyer-escort type) plus numerous smaller ones.

The air force is supposed to number eight to ten groups of planes of World War II types—mostly propeller-driven fighters, C-47 transports and a few light and medium bombers—300 to 600 planes in all. But spare parts and gasoline have been so major a bottleneck that less than one-third of this number of planes has been operational and pilots have not been able to get in enough flying hours to maintain proficiency.

The army is by far the largest and the most important of the services. Its combat troops are numbered in a sizable six figures, but these vary in morale, training, equipment and leadership from good to poor. There are perhaps 700 to 1,000 tanks and armored vehicles, but nearly all of them are old or obsolescent; there is little motorized equipment and very little artillery.

Ammunition shortages, which have greatly hampered training and the defense of the island in the past, have been somewhat relieved since United States aid started flowing into the island in December.

Commanders Are Weak

One of the principal weaknesses of the Nationalists is leadership and command. The political commissar system that Generalissimo Chiang took over from the Communists years ago still prevails in his army, and many of his commanders are that in name only.

Even the commander of the ground forces—Lieut. Gen. Sun Li-jen, a Purdue and V. M. I. graduate—is much of a figurehead. He is able to carry out a vigorous training program, but he cannot relieve or appoint even a regimental commander without Generalissimo Chiang's approval, and he cannot shift troops from one part of the island to the other— even in case of invasion—without similar approval. The armored force, including much of the Nationalists' motorized equipment, is under the Generalissimo's son—Maj. Gen. Chiang Wei-kuo—and is not even answerable to General Sun.

Factionalism, the curse of China, and the suspicions of political life plus the uncertain morale of some units, are some of the major weaknesses.

As of today, Formosa is not yet fully secure defensively; that is, the fate of the island, if the Chinese Communists undertook an invasion when the United States Seventh Fleet was occupied elsewhere, would be in doubt. But Formosa is capable immediately—if the instructions to our Seventh Fleet were changed—of some limited offensive operations against the Chinese mainland.

The Nationalist navy could resume—as it was doing prior to last

Allen Formosa

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37/37

June—its limited blockade of part of the China Coast, particularly the port of Shanghai. At one time, only fourteen contact mines closed Shanghai effectively because the Communists' navy had no mine-sweepers.

Blockade's Effect

This enemy deficiency probably has been remedied today, but even so a little will go a long way in the industrially and technically weak Orient, and though a Nationalist navy blockade could not be completely effective, it could probably hamper and reduce the flow of ten to twenty shiploads of strategic materials a week that are now going to Communist Chinese ports.

The air force, despite its weaknesses, could resume its limited raids against the mainland. Aircraft could also be used for psychological warfare purposes and to maintain contact with and to supply the guerrillas on the mainland.

Ground operations at first would be limited to raids. Such raids—though small-scale—have, in fact, continued against coastal islands ever since last June; if the "wraps" were taken off, Formosa has the capability of staging sizeable commando-type raids against the mainland itself.

In sum, Formosa has very considerable potential strength, but it is not yet ready to be used in any massive attacks against the Chinese mainland and will not be ready for major blows for some months. On the other hand, South China, as distinct from North China, and particularly Manchuria—is still but loosely held by the Communists, and a strong Nationalist landing on the mainland some months hence might well accomplish major results.

50056-A-40
27/27

OTTAWA FILE
No.....

Despatch No. 1341

Date... April 21, 1951

Refer to: London
Tokyo
CPSUN
LSSEA
USSEA
Mr. Reid
D.L. (1)
D.L. (2)
R.L. ROGERS
26/4/51
25 APR 1951

SECURITY CLASSIFICATION
SECRET

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference... Your Telegram EX-813 of April 16

Subject... Formosa

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The manoeuvres of the Seventh Fleet in the Formosa Straits and the matter of the proposed dummy landing operation on the China coast were discussed with Assistant Secretary of State George Perkins, and with Mr. O.E. Clubb, Director of the China Office at the State Department.

2. The State Department officials knew little about the proposal but they were aware that it had come to Mr. Acheson's attention and that he had discussed it with the Pentagon. It appears that members of General MacArthur's staff frequently prepared plans for projects not authorized by Washington, such as air operations over Manchuria and naval operations such as the one referred to in your telegram and various other projects. United Kingdom representatives in Tokyo sometimes came to know of these plans and reported them to London without making it clear, and perhaps without knowing, that they had not been approved in Washington. Sometimes, apparently, the planning even went beyond the paper stages and resulted in some preparatory movement of forces, presumably in the mistaken expectation that the plans would be approved. Mr. Perkins thought that the dummy landing proposal might fall within this category and he emphasized the point that it would require for its execution specific approval from Washington. There had been no question of approval having been given for such an exercise.

3. Mr. Clubb, who queried the Pentagon about the report of the proposed dummy landing, said that military Headquarters were not aware that an operation of this type was planned. It appears that 14 ships of the Seventh Fleet carried out fairly large-scale manoeuvres in the Formosa Straits recently. The Fleet called at Keelung, Formosa, but did not go through any dummy landing exercises off the coast of mainland China, so far as is known here.

4. Mr. Clubb referred to allegations made by the North China News Agency last week that U.S. planes had indulged in bombing and strafing at Foochow, Amoy and other places in Fukien Province, as well as over Canton. He said that the Far Eastern Naval Command had been questioned as to these reports and had replied that there was no truth whatsoever in the charges. The Naval Command explained that these accusations might have arisen from the necessity to cover the units of the Seventh Fleet manoeuvring in the Formosa Straits with a rather large screen of reconnaissance and fighter planes.

APR 23 1951

Copies Referred To.....

No. of Enclosures
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Post File
No.....

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Handwritten signature

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SECRET

April 21, 1951

File
L. ROGERS
26 APR 1951

MEMORANDUM FOR AMERICAN AND FAR EASTERN DIVISION

Re: Legal Status of Formosa -

I was interested in the opinion of the Permanent Delegation contained in Despatch No. 274 of March 30, but I am not convinced that the opinion given by this Division concerning the competence of the United Nations with regard to Formosa is inconsistent with the position adopted by Canada when the question of the Berlin Blockade came before the Security Council in October 1948. In my opinion there is a broad distinction between the two cases.

2. The Delegation concludes: "In other words it would seem possible to argue that the decision of the Security Council to place Berlin on its agenda constitutes a precedent to the effect that Article 107 does not prevent the United Nations from considering and making recommendations regarding the status of an ex-enemy territory, even if such recommendations are not in accordance with the terms of the agreement signed by the main allied powers, provided that it can be established that the question concerned constitutes a direct 'threat to the peace' within the meaning of Chapter VII of the Charter. This would seem to be the position taken by Mr. Jessup and Sir Alexander Cadogan - a position which was supported by Canada's vote."

3. I note that the delegation said "it would seem possible to argue". I have no doubt that a legal argument could be formulated to support the contention that the United Nations is competent to deal with the Formosa question, in a broad way when threats to the peace are involved. This was implicit in our memorandum of February 19 in which we suggested that Articles 11(2) or 14 of the Charter might be involved. However, this division was

asked a narrow question concerning sovereignty over the island and our memorandum of February 19 was intended to be a legal opinion rather than argument. //

4. Actually, the "possible" argument suggested by the delegation is hardly justified by the text of the statements of Mr. Jessup, Sir Alexander Cadogan and Mr. Parodi quoted in the despatch. They argued that the Security Council was competent to deal with the Berlin question notwithstanding Article 107 on the ground that there is a marked distinction between action taken ^{in respect of} by an enemy state and action taken in an enemy state by one of the Allied Powers but against the others and having relation to the others rather than to the enemy state. Sir Alexander Cadogan in fact said,

"the sole object of Article 107which was based on a draft originally made at Dumbarton Oaks... was to leave the hands of the Allied Powers free as regards any action that they might think it necessary to take in relation to one of the enemy states, either in the continuance of actual hostilities or as regards post-hostilities action, such as occupation of enemy territory, enforcement of transfers of territory under a peace treaty, exacting reparations, and so on."

5. Although Article 107 occurs in Chapter XVII of the Charter which is entitled "Transitional Security Arrangements", the wording "action" in Article 107 is a general word. The basic consideration was that force might be applied and transfers of territory by peace treaties are sanctioned by force. Moreover, there are rights of allied powers involved, as well as obligations of Japan as a state "which has been an enemy of any signatory to the present charter." The rights of the allied powers to require a transfer of the sovereignty over Formosa appears to be an incident of victory sanctioned by international law. Although Article 107 appears in the Charter as a limitation upon the authority of the United Nations, it appears to be in recognition of this existing right, and therefore should be construed so as not to derogate from that right. //


Legal Division

ORIGINAL

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

Refs to:
✓ SSEA
✓ USSEA
✓ Defence Liaison (1)
" " (2) A/UNDR/SEC'S.
✓ J.I.S.
✓ Chief of Staff (Scopus)
✓ Mr. Reid
✓ Economic Dir
London, Tokyo
+ file

MINISTER
UNDR/SEC
D/UNDR/SEC
CYPHER - AUTO
WA-1553

CONFIDENTIAL

WASHINGTON, April 20, 1951.

50056-A-40
27 27

R. L. ROGERS
21 APR 1951

Confidential. Military assistance to Formosa -
re my despatch No. 629 of February 20th.

1. T.L. Perkins, Deputy Director of China Office
at the State Department, asked Campbell to call in on
him this morning and told him of the appointment of
Major-General William Chase to head a Military
Assistance Advisory Group in Formosa.

2. Perkins said that an MAAG organization was
being set up in Formosa, pursuant to an exchange of
notes which had been made with the Chinese Government
in early February, in order to facilitate proper
distribution and use of military material made
available to the Chinese Government in Formosa. Perkins
observed that it was customary to set up an MAAG
organization in countries to which the United States
was giving assistance in the form of military material.

3. Questioned as to whether General Chase would
take an active part in the training of Chinese Nationalist
troops, Perkins said that there was nothing in the
exchange of notes with the Chinese Government to
indicate this.

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APR 21 1951

4. General Chase and his group will operate as a special group attached to the United States Embassy in Taipeh. In reply to questions, Perkins estimated that the group might consist of about 100 personnel. (He explained the rather large number as being necessary in order to have observation posts established in various parts of the Island).

5. Perkins said that this information would be made public in the future but that the State Department wished Commonwealth and other friendly Powers with interests in the Pacific to have prior knowledge of the establishment of a Military Assistance Advisory Group in Formosa.

CANADIAN AMBASSADOR

Ext. 30 C

DUPLICATE

OTTAWA FILE

No.

Despatch No. 1322

50056-A-40

37 | 37

SECURITY CLASSIFICATION

Date. April 19, 1951.

SECRET

Original on 50051-40.

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.. Teletype WA-1179 of March 29.....

Subject:....China and the Japanese Peace Treaty.....

I enclose three copies of an Aide Memoire, dated April 12, 1951, which was handed to Sir Oliver Franks by Mr. Dulles. The State Department communication is in reply to the United Kingdom Aide Memoire of March 30, which gave the view of the United Kingdom Government that the Central People's Government of China should be invited to participate in any negotiations for the conclusion of a peace treaty with Japan. The United Kingdom Aide Memoire had also stated that the United Kingdom Government considered that Japan should be required to renounce sovereignty over Formosa and to cede it to China.

2. You will observe that the tenor of the United States reply is in accord with the remarks made by Mr. Allison to Dr. Norman on this subject on April 12 (see Memorandum of conversation enclosed with Despatch No. 1242 of April 14). We are informed that Mr. Dulles told Sir Oliver Franks that he wished to stress the words "insofar as it (i.e. the United States Government) is concerned", which appear in paragraph 2 of the United States Aide Memoire. Mr. Dulles explained that, if the United Kingdom Government wished themselves to initiate some approach to Peking on the Japanese Peace Treaty, the United States Government would not make any objection but very much hoped that the process would not lead to delays.

3. As to the question of the cession of Formosa to China, the United States Aide Memoire confirmed the observation which Mr. Allison made to Dr. Norman, that the United States did not think that Japan should be involved in the highly controversial question of the status of Formosa and the Pescadores.

H.H. Wrong

Copies Referred To.....
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No. of Enclosures
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Post File
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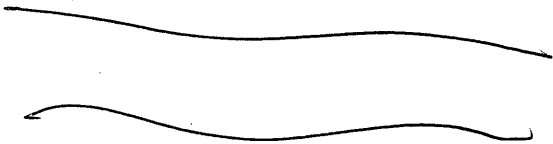
TEXT OF AIDE
MEMOIRE

1. Reference is made to the Aide Memoire of His Majesty's Government in the United Kingdom dated March 30th, 1951.

2. As the Government of the United States does not recognize the Central Peoples' Government of China it would not find it possible to invite that regime to participate in negotiations with it for the conclusion of a Peace Treaty with Japan. The Government of the United States accordingly does not see how, in so far as it is concerned, the views of His Majesty's Government of the United Kingdom could be implemented.

3. As regards Formosa it is noted that the declaration of Cairo provided, not for the cession of Formosa "to China", but that "Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China". In view of present differences of opinion as to what now constitutes the "Republic of China" and as to the bearing upon the Cairo Declaration of intervening events, it is the view of the Government of the United States that Japan, by the peace treaty, should renounce all rights, titles and claims to Formosa and the Pescadores, but that Japan should not itself be brought into the highly controversial question of what now is or should be the status of Formosa and the Pescadores, nor should the treaty be looked upon as the vehicle for the solution of this question.

Department of State,
Washington,
April 12, 1951.



MESSAGE FORM OUTGOING

FILE REF.		

SECURITY CLASSIFICATION
S E C R E T

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CANADIAN AMBASSADOR, WASHINGTON, D.C.

50056-A-140
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Message To Be Sent	No. <i>Et-813</i>	Date <i>16</i> April <i>14</i> , 1951.	For Communications Office Use Only SENT APR 16 1951
EN CLAIR			
CODE			
CYPHER <i>Auth</i>	<input checked="" type="checkbox"/>		

Degree of Priority

ORIGINATOR

Sig.

Typed: *RLRogers/kb*

Div. *Am. & F.E.*

Local Tel. *2991*

APPROVED BY

Sig. *[Signature]*

Typed:

Is This Message
Likely To Be Published

Yes () No ()

Internal Distribution:

USSEA

Done *[Signature]*

Date *Apr 16/51*

Copies Referred To:

Following is text of telegram No. 876 of
April 13, 1951, from the High Commissioner for
Canada, London, England. Begins:

(Communications Section, please repeat
text of above telegram)

Ends.

Done

Date

MESSAGE FORM OUTGOING

FILE REF.		

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CANADIAN AMBASSADOR, WASHINGTON, D.C.

50056-A-40
47 27

Message To Be Sent	No. <i>Et-808</i>	Date April 14, 1951	For Communications Office Use Only SENT -- APR 14 1951
EN CLAIR			
CODE			
CYPHER <i>uk</i>			
Degree of Priority			

ORIGINATOR

Sig. *RL Rogers*

Typed: RL Rogers/kb

Div. Am. & FE

Local Tel. 2991

APPROVED BY

Sig. *[Signature]*

Is This Message Likely To Be Published

Yes () No ()

Internal Distribution:

USSEA

Done *IS*

Date *Apr. 16/51*

Copies Referred To:

~~I~~ ^{we} am repeating to you telegram No. 876 of April 13 from London concerning the activities of the United States Seventh Fleet in Formosan waters this week. ~~I~~ ^{we} should be grateful if you would take any opportunity that arises to ascertain what truth there is behind this account and let us know.

Secretary of State
for External Affairs.

14.4-37(us)

File copy

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Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

SECRET

April 14, 1951.

No. **Y-693**

50056-A/40
27/27

Sir,

I enclose the document (s) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The Acting Canadian Permanent
Representative to the United Nations,
New York.

for the **A.D.P. HENNEY**

Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Secret telegram No. 876 of April 13, 1951, from the High Commissioner for Canada, London.</p>	<p>Formosa.</p>

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

S E C R E T

IMPORTANT

LONDON, April 13, 1951.

CYPHER - AUTO

NO. 880

50056-A-40
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Original on 50069-A-40.

Secret. Following for Under-Secretary.

Further to your telegram No. 587 of April 10th on United Kingdom draft declaration on Korea.

The Foreign Office are clearly persuaded that an approach to Peking will be futile if it lacks the support of the United States. It seems to me possibly that a separate declaration by Mr. Truman aimed entirely at United States opinion might however allow the joint declaration to aim more definitely and unequivocally at opinion in Peking. The State Department on April 12th asked for more time to consider the matter in view of the removal of MacArthur.

2. Even if a separate declaration by Mr. Truman should be the outcome of the present discussions, we have still to consider Scott's other argument about the tactics to be followed in negotiations with Peking. If Scott had simply said that any mention of Formosa and Chinese representation in the United Nations had been omitted in order to secure American agreement to the draft joint declaration, we might think the omissions unwise, but the reason would at least be something familiar.

3. To hear the Foreign Office argue at this late date

that a solution in respect of Korea alone should be sought first before these two issues are brought up, took us rather by surprise. I recall that this procedure has been advocated on earlier occasions by the State Department, but never before, to my knowledge, by the Foreign Office. It has been difficult to single out some element in the present situation (apart from United States opinion) that is thought to justify this departure from the general trend of Foreign Office thinking on the scope of negotiations with a view to a general settlement in the far east.

4. Article 4 of the United Kingdom draft of a Japanese peace treaty declares: "Japan hereby cedes to China, in full sovereignty, the island of Formosa and the Pescadores Islands". The aide-memoire presented to the State Department on March 31st stated that in the view of the United Kingdom Government

(a) The Peking Government should be invited to take part in any negotiations for the conclusion of a peace treaty;

(b) Japan should be required to renounce in the treaty its sovereignty over Formosa and to cede Formosa to "China";

It occurred to us that these proposals might have a bearing on the omission of Formosa from the draft declaration, particularly on point (b). The Cabinet has been very firm on point (a), although some officials express doubts privately whether other governments will agree.

5. On the subject of Chinese representation in the United Nations there was even less information to suggest precisely why (apart from United States opinion) the Foreign Office thinks now in terms of a prior settlement on Korea. Scott had been quite emphatic on April 11th in stating that the government still thought that the Peking Government should represent China. The Foreign Secretary, in his parliamentary statement of April 12th (drafted by Scott) gave no hints.

The text of the statement went to you by air bag on April 12th.

6. Horne dined with Scott on April 12th and accordingly sought more information privately on these points. The only other guest was Scott's brother, who works at the Central Office of Information.

7. Scott agreed that there had been a switch in Foreign Office thinking on the scope of the first round of negotiations with Peking. He indicated that there was not any material factor in the present situation which lay behind this switch. He pointed out, however, that this thinking is on the official level (though you will note that it comes out in the draft joint resolution) and that the government continues to stand committed to its declarations on Formosa - that is to say, that the Cairo and Potsdam declarations should be implemented - and on Chinese representation in the United Nations. In other words, Scott, with the concurrence of the Foreign Secretary but not yet of the Cabinet, is conducting these discussions of the draft on the official level.

8. As regards Formosa, Scott repeated his remarks of April 11th about the inadvisability of discussing Formosa and other issues until Korea is settled. He went on to point out that at the Washington talks in December 1950, Mr. Attlee had been willing to make a concession to the United States point of view. The United States had at least gone through the motions of making a concession on Formosa in supporting the five points on January 13th. Scott seemed to suggest that the "including Formosa" phrase in the 5th point was not really inconsistent with Mr. Attlee's offer at Washington.

9. The Formosa clause in the draft Japanese peace treaty is not the cross-current that we had thought it might possibly become. The rider mentioned in our telegram No. 861 of April 11th would be agreed upon outside the Treaty by the signatories less Japan and would allow the transfer of

Formosa to be deferred pending an appropriate settlement with China. There would be a number of points of procedure to be settled in this fashion.

10. The State Department have pointed out to the Foreign Office that the rider as initially proposed took no account of the United Nations interest in Formosa. Scott suggests that the rider should be amended to meet this point in some very general terms.

11. Scott's final point on Formosa was that Formosa would serve as a bargaining counter to induce a settlement in Korea. Some people were arguing that such issues should be resolved to the satisfaction of Peking in order to induce Peking to agree to an acceptable solution in Korea. Scott regards this idea as dangerous for the reasons already given in our last telegram.

12. As to Chinese representation in the United Nations, Scott admitted that the omission from the draft was entirely designed to meet United States opinion. The government he says would agree to the change over tomorrow if others would do likewise.

HIGH COMMISSIONER

ORIGINAL

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

MINUTE
UNDR/CE
D/UNDR/CE
A/UNDR/SEC

CYPHER - AUTO

SECRET

NO. 876

LONDON, April 13, 1951.

Repeat to Washington ^{Don't}
Refer to: Tokyo ^{14/4/51}

SSEA
USSEA

Mr. Reid
DL-(1)
DL-(2)

^{Don't}
KB
14/4/51

Copy on 50067-A-40.

50056-A-40
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Secret. Formosa.

CPDUN New York

R. L. ROGERS

14 APR 1951

In the course of conversation on April 12 about the draft declaration on Korea, R.H. Scott of the Foreign Office related to Horne the story behind the activities of the United States Seventh Fleet in Formosan waters this week.

2. On April 7 the Foreign Office were notified of a proposal of General MacArthur's that the fleet should sail into Formosan waters and move close up to the Chinese mainland. It would then conduct a dummy landing operation by going through the motions of searching out landing places and moving in on beaches but without landing troops. Photographs would also be taken.

3. A minor crisis was caused by MacArthur's proposal to include in this operation a Royal Navy unit borrowed from the naval force operating about Korea. The United Kingdom Government protested against this and MacArthur agreed that his suggestion had been a wrong one.

4. MacArthur also proposed to add to the force an air component borrowed from Korea, and this in spite of all his statements about the enemy build-up. The planes were in the event actually borrowed for the purpose.

5. The United Kingdom Government made a general protest pointing out the grave risk of incidents during the landing operations and declaring that the results

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APR 14 1951

would be "exclusively" the responsibility of the United States.

6. As you know, the fleet moved into the channel a few days ago. Scott said that the plan had been considerably modified: no landing would be "carried out" and there would be no concentration of ships lying off in mainland territorial waters.

7. Scott suggested that MacArthur's purpose had been to lay plans for a landing by Nationalist forces in due course. He added that the less said about the matter now the better.

HIGH COMMISSIONER

FROM: THE CANADIAN MINISTER, OSLO, NORWAY
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

CONFIDENTIAL

CYPHER - O.T.P.

NO. 23

OSLO, April 13, 1951.

50056-A	40
27	37

Original on 50067-A-80.

Confidential. Oslo press unanimously approved dismissal of MacArthur but public opinion divided. There is fear that resultant political frenzy in the U.S.A. may have adverse effect internationally.

British proposal of handing Formosa to the Communists has surprised the Norwegian public. It is felt that timing has been bad.

CANADIAN MINISTER

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

CONFIDENTIAL

CYPHER - AUTO

NO. 815

LONDON, April 6, 1951.
(Rec'd April 7, 1951)

*Original on
6993-C-2-40.*

50056-A-40	
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Confidential. Your telegram No. 488 of March 22nd
re Formosa.

Following reply has now been received from Franklin,
of Far Eastern Department of Foreign Office, Begins:

It is unfortunately the case that attacks by the
Chinese Nationalist Navy on British shipping did not
entirely stop with the "neutralization" of Formosa by
the United States Seventh Fleet. Nationalist gunboats
have frequently stopped British ships in order to
inspect their cargo; the ships have normally been allowed
to proceed although there have been a few cases of attacks
on British ships but except for one case these attacks
have not been of a serious nature; this was the case
of the "Glenearn" which was machine-gunned by Nationalist
aircraft on the High Seas off Formosa on the 14 July, 1950.
It was clear however that the attack was a mistake on
the part of an irresponsible Nationalist commander; the
Governor of Formosa apologised for the incident and
promised full compensation to the owners and to the
one man injured.

In addition to these incidents, two British ships
have been detained and taken to Formosa by the Nationalists.

The "Northern Glow", owned by the Great Northern Company of Hong Kong, was detained on the 19 July, 1950. She was released, minus cargo, on the 30 October after strong representations had been made to the provincial authorities by His Majesty's Consul at Tamsui. Another ship, the "Lady Wolmer" was seized on the 10 March and is still detained. His Majesty's Consul at Tamsui has been instructed to protest. The vessel, which is owned by the Eastern Asia Navigation Company Limited, was under charter to Chinese interests at the time of her detention. On the 19 March the British vessel "Hydralock", under charter to a Chinese firm, was reported as being pursued by a Nationalist gunboat off the Fukien coast, but evaded capture by entering Hamkong.

We can find no record of the Mona Navigation Company owning ships operating in this area. Possibly a reference is intended to Moller and Company of Hong Kong who own a number of small ships, (some of them chartered to increase Communist interests) several of which were detained about a year ago and one of which, the "Elsie Moller" was involved in one or two minor incidents late last year.

There have over and above the cases already listed, been a number of occasions when pirate junks probably owing allegiance to nobody have attacked ships off the China coast.

HIGH COMMISSIONER

MESSAGE FORM OUTGOING

FILE REF.		

SECURITY CLASSIFICATION
CONFIDENTIAL

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE HIGH COMMISSIONER FOR CANADA IN THE UNITED KINGDOM, London.

50056-A-40
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Message To Be Sent

EN CLAIR

CODE

CYPHER *Sub*

Degree of Priority

No. *564*

Date April 6, 1951.

For Communications Office Use Only

SENT -- APR 6 1951

ORIGINATOR

Sig.

Typed *RL Rogers/kb*

Div. *Am. & FE*

Local Tel. *2991*

APPROVED BY

Sig. *E. H. Norman*

Typed:

Is This Message Likely To Be Published

Yes () No ()

Internal Distribution:

USSEA

Done

Date

Copies Referred To:

Done

Date

Neutralization of Formosa.

My telegram 488 of March 22.

I should like to have an answer to this telegram as early as possible in order that consideration may be given to the effectiveness of the neutralization of Formosa.

copy on 6993 C-2-40

Secretary of State
for External Affairs.

Am.&FE/RLRogers/kb

50056-A-40
27 | 27

SECRET

April 2, 1951.

RLR
R. L. ROGERS
26 APR 1951

MEMORANDUM FOR LEGAL DIVISION

LEGAL STATUS OF FORMOSA

I attach file 50056-A-40 which contains on top Despatch No. 274 of March 30 from the Permanent Delegation of Canada to the United Nations, New York. This despatch raises the question of the validity of the argument contained in your memorandum of February 19 on the legal status of Formosa as affected by Article 107 of the Charter of the U.N. It would seem to me that if the Permanent Delegation's argument is accepted in relation to the Security Council it could not very well be denied in relation to the General Assembly which, presumably, would be the body which would be called upon to make a recommendation for the disposal of Formosa at variance with the Cairo Declaration.


American and Far Eastern Division.

Ext. 4

50056A/40
27/27

OTTAWA FILE
No.....

SECURITY CLASSIFICATION
SECRET

Despatch No. 274

Date: March 30, 1951.

*circulate to
Mr. Reid
UN Sec
2/24/51*

FROM: THE PERMANENT DELEGATION OF CANADA TO THE UNITED NATIONS,
NEW YORK.
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference: Your despatch No. Y.435. of 1 March, 1951.

Subject: Legal Status of Formosa.

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APR 2 1951

Copies Referred

To.....
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No. of Enclosures

Three

Post File

No.....

We note from your despatch under reference that the Legal Division has prepared a memorandum on 19 February which gives the opinion that the United Nations cannot, in view of Article 107 of the Charter, invalidate the action of the Chinese Republic in assuming control of Formosa (which was in accordance with the Cairo and Potsdam Declarations).

2. In this connection we wonder whether the opinion expressed by the Legal Division is consistent with the position adopted by Canada when the question of the Berlin blockade came before the Security Council in October, 1948. On 29 September, 1948, the Governments of the United Kingdom, the United States, and France presented identical notes to the Secretary-General of the United Nations, asking that the question of the blockade of Berlin by the Soviet Union be placed on the agenda of the Security Council on the grounds that it constituted a "threat to international peace and security". These identical notes (S/1020 of 29 September, 1948) stated that the action taken by the Soviet Government in imposing the blockade was contrary to Article 2 of the Charter, and constituted a threat to the peace "within the meaning of Chapter VII of the Charter". The notes went on to say that the actions of the Soviet Government had created a situation "in which further recourse to the means of settlement in Article 33 of the Charter of the United Nations is not, in existing circumstances, possible". Accordingly the three Western democracies asked the Security Council to consider the matter.

3. On 4 October and 5 October, 1948, a debate took place in the Security Council regarding the admissibility of this question to the agenda of the Council (see verbatim records for 361st and 362nd meetings of the Council). The Representative of the Soviet Union, Mr. Vyshinsky, vigorously argued that the Security Council could not consider the Berlin question in view of Article 107. Mr. Vyshinsky stated:

"To refer the Berlin question to the Security Council would be a direct violation of Article 107 of the United Nations Charter, which states that:

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'Nothing in the present Charter shall invalidate or preclude action, in relation to any State which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such action.'

"Thus, according to Article 107 of the United Nations Charter, the Berlin question, forming as it does a part of the question of Germany as a whole, belongs to the competence of those Governments which are responsible for the occupation of Germany, and consequently, it is not a matter which can be considered by the Security Council.

"In fact, as regards Germany in general and in Berlin in particular, there exists a whole series of important international agreements and treaties signed by the four Powers: the Soviet Union, the United States of America, the United Kingdom and France. Of these, the most important are the agreements concluded by the great Powers at the Yalta and Potsdam Conferences, which lay down the political and economic principles governing relations with Germany. These documents deal inter alia with such important questions as the Declaration regarding the defeat of Germany and the quadripartite Statement on the control machinery in Germany. They are international treaties and agreements, signed by the great Powers, which then took over full authority in Germany for the duration of the period of implementation by Germany of the basic requirements of unconditional surrender.

"There are several agreements, signed by the above-mentioned Powers which refer to the zones of occupation in Germany and to the administration of greater Berlin. In this connexion, attention must be drawn to a most important provision of the Berlin Conference of three Powers to which later France and China adhered, namely the provision establishing the Council of Foreign Ministers. That Council was asked, among other things, to prepare a pacific settlement for Germany and it was stipulated that the document thus prepared would be accepted by a democratic German Government as soon as such a government had been established.

"Thus, in view of the special international agreements and treaties signed by the great Powers, the whole problem of Germany, including the Berlin question, is a matter to be settled by the Governments which bear the responsibility for the occupation of Germany; this problem cannot, therefore, be allowed to come up for consideration before any other body than that defined in the international agreements under which are the signature of the great Powers.

"That, in short, is the principle proclaimed in Article 107 of the United Nations Charter, which makes it clear that the responsibility for conditions in the territories of enemy countries controlled by allied Governments devolves on those same Governments. It follows, therefore, that all questions arising in connexion with such control, including the question of the situation in Berlin, have to be decided through direct negotiations between the Governments responsible

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under the above international agreements for the state of things in Germany as a whole and in any of its parts or sectors, and particularly, of course, in Berlin, its capital."

4. Mr. Vyshinsky's arguments were sharply challenged by the Representatives of the United States and United Kingdom, Mr. Jessup and Sir Alexander Cadogan. In arguing that the question of Berlin should be placed on the Council's agenda, Mr. Jessup said:

"... on that jurisdictional question and the objection to the jurisdiction which has been made by the representative of the USSR, I wish to point out that the objection which has been made is in keeping with his Government's continuous and systematic disregard of the Charter. The technical question which he has raised to the consideration of this item by the Security Council is whether, under Article 107 of the Charter, the Security Council is precluded from assuming jurisdiction of this case.

"But the real question is far more fundamental. The real question is whether in the present situation, the seriousness of which I do not attempt to minimize, the only existing general international machinery for the preservation of peace can be used to remove a threat to the peace, or whether the Government of the USSR contends that the world be thrown back upon an unorganized international community with all that that implies.

"... The Government of the United States believes in the purposes set forth in Article 1 of the Charter and in the principles stated in Article 2 of the Charter. It is because we believe in these purposes and principles that we have joined in referring this case to the Security Council. The representative of the USSR made a number of references to the desirability of respecting signatures to international agreements. I would like to point out that the Charter of the United Nations is an international agreement and that it bears the signature of the USSR.

"In accordance with our obligations under Article 33 of that Charter, the Government of the United States, in agreement with the Governments of France and the United Kingdom has made every effort to remove the threat to the peace created by the USSR, through direct discussions with the Government of the Soviet Union. The systematically periodic evasion and repudiation of the promises by that Government has made further recourse to these direct discussions futile. Meanwhile, the USSR continues, in violation of its obligations under the Charter, to apply force or the threat of force against the Governments of the United States, France and the United Kingdom.

"The representative of the Soviet Union has intimated, as his Government has already alleged, that the illegal USSR blockade measures were imposed in retaliation for the lawful steps relating to currency taken by the Western Powers in the western zones but, as I shall explain later to the Security Council when we come to the substance of the question, the USSR measures and the motive behind them were revealed some months before the currency measures of the Western Powers were put into effect.

"Any such argument on the part of the USSR will not succeed in obscuring the actual situation which confronted the Governments of the United States, France and the United Kingdom and to which I have just referred. Faced with that situation, the three Governments were confronted with the following alternatives. One, they could have supinely bowed to the USSR use of force; or two, they could in turn have resorted to force to meet the force of the USSR; or three, they could have recognized the fact stated in Article 24 of the Charter that the Security Council has "primary responsibility for the maintenance of international peace and security."

"... Now I wish merely to deal briefly with the technical argument which has been advanced by the representative of the USSR with reference to Article 107 of the Charter.

"The arguments put forward by the representative of the USSR make it appear that the question brought before the Security Council is the entire problem of Germany. As I have already said, if that is his impression, he has been misinformed. That is not the case. The question before this Council is a different one, namely, the threat to international peace and security caused by the imposition and maintenance of the USSR blockade of Berlin and other measures of duress taken against the three other occupying Powers.

"The representative of the USSR, in the second series of remarks which he has made this afternoon, has said that even if it is a threat to the peace it is still outside the competence of the Security Council. I believe that an examination of the Charter will show the fallacy of that argument.

"Article 107 is one of the two Articles of Chapter XVIII which provides for transitional security arrangements to be in effect until such time as the peace settlements have become effective and international stability restored, and until the United Nations has become fully equipped to deal with any question affecting the maintenance of peace.

"These transitional arrangements were designed to facilitate the making of the peace and other joint action by the victorious allies in the peace until full responsibility could be resumed by an effective United Nations, equipped with all the resources contemplated by the Charter. Article 107 of the Charter was not designed to prevent any disputes among the victorious Powers from coming to the Security Council, but to prevent interference by the former enemy States in any action taken by the victorious Powers within the agreed realm of their responsibility. In other words, Article 107, while precluding appeals to United Nations organs by defeated enemy States concerning action taken against them during the period of military occupation by the responsible allied Powers, does not prevent one of the allied Powers from bringing its differences with other allied Powers to the attention of United Nations organs for consideration according to the provisions of Chapters IV, VI or VII of the Charter; much less would it preclude consideration by the Security Council of action by a Member of the United Nations constituting a threat to the peace.

"These conclusions as to the meaning of Article 107 are inescapable from a study of the language of the Article itself, from its legislative history at San Francisco and from the practical interpretations which have been placed upon it. Article 107 provides, and I shall repeat it:

'Nothing in the present Charter shall invalidate or preclude action, in relation to any State which during the Second World War had been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such actions.'

"The language of the Article applies only to action so taken or authorized; it does not exclude from the jurisdiction of the United Nations all matters relating to ex-enemy States regardless of the circumstances of the Powers affected".

5. Supporting this argument, Sir Alexander Cadogan stated:

"The USSR Government maintains - and Mr. Vyshinsky has repeated it with emphasis this afternoon - that there is no blockade of Berlin, that there is no threat to the peace. We disagree with that. Can there be no appeal to the Security Council? Mr. Vyshinsky says 'no', because of Article 107 of the Charter.

"I should, therefore, like to say one or two words about that particular Article both as to its intention, as I understand it, and as to its interpretation. I do not think that I need to quote the text of that Article. It has already been quoted here this afternoon. The representatives have it in mind and perhaps under their eyes at the same time. What I would like to say is this: the sole object of this provision which we find in the Charter, Article 107 which was based on a draft originally made at Dumbarton Oaks while the war was in full swing, was to leave the hands of the Allied Powers free as regards any action they might think it necessary to take in relation to one of the enemy States, either in the continuance of actual hostilities or as regards post-hostility action, such as the occupation of enemy territory, the enforcement of transfers of territory under a peace treaty, exacting reparations, and so on. But for a provision of this kind, much of the action which the Allies might legitimately wish to take and might have to take in relation to the enemy States might have been technically inconsistent with the purposes and principles of the Charter - for instance, the principles of not using force. Further, the hands of the Allies might have been tied completely as regards their post-hostility dealings with the enemy States and as regards the eventual peace treaties or arrangements. So much for the intention of this Article to which I am referring.

"Now let us look at its actual terms. It will be seen that the only case that comes under Article 107 is one of action taken - these are the words - 'in relation to' an enemy State. The USSR action, of which the Western Powers are complaining, has not however been taken in relation to Germany. It is essentially action taken in relation to the Western Powers themselves by cutting off their communications with a part of Germany where they have the right to be and by attempting to deny them access:

to it or to compell their withdrawal. That the locale of this action is Germany and that the population of Berlin is affected by it does not suffice to constitute it as action taken in relation to Germany or to bring it under Article 107. The term used, as I have said is '.... in relation to' - not affecting or concerning - and in the context '.... in relation to' is clearly intended to mean action of which the enemy State is the object and not merely the subject, the occasion or the locale. The object of the USSR action in the case of Berlin is clearly the three Western Powers and their position, and it is inherently in relation to them and not in relation to Germany that it is being taken. It is their status, their rights, not Germany's, that are directly affected or prejudiced by the USSR action.

"For these reasons, it cannot be claimed that the action of the Government of the USSR in Berlin escapes the application of the Charter, or that it is taken out of the Charter by Article 107, since it is not at all the type of action contemplated in that provision. It might be held that there is some ambiguity about this Article and that its scope is not absolutely clear, but the claim that it debar[s] the Security Council from examining or discussing any action taken or authorized by the Governments responsible for such action in relation to an ex-enemy State is inadmissible."

6. The Representative of France, (M. Parodi) spoke in the same sense in the following meeting of the Council on 5 October, 1948:

"The other argument presented, the argument which is actually an argument as to admissibility, is based on Article 107. With regard to this point, I shall be brief, since I could hardly do more than repeat, or express in a slightly different way, the arguments which have already been presented.

"The wording of Article 107 of the Charter seems to be perfectly clear. What it is directed at, what it has removed from the competence of procedure under the Charter, are those actions 'in relation to any State which during the Second World War has been an enemy of any signatory to the present Charter.'

"The complaint which we have brought before the Security Council does not concern an action undertaken with regard to Germany. It bears on a series of measures taken by the Soviet authorities with respect to the other occupying Powers in Germany.

"The work preparatory to the drafting of this Article has already been recalled; it confirms an interpretation other than that offered by Mr. Vyshinsky. It might also be recalled that in all legislation, in all the legal systems of the world, it is the rule that a text which deals with an exception is of limited validity and interpretation.

"Of course, this rule is also applicable to the Charter and I should say that it is applicable a fortiori whenever the question concerns an exception to a rule of competence such as the one which entrusts the Security Council with the task of maintaining peace in the world.

/ 7.

"I do not think it is necessary, however, to resort to the preparatory work on the Charter nor to recall the rule of law to which I have just referred. The very wording of Article 107 states precisely, and to my mind limits quite clearly and without ambiguity, the scope of the exception for which it provides. Once again, it is only to the extent that measures are taken in relation to an ex-enemy State that the competence, or the processes of the Charter, can no longer be utilized".

7. Generally similar arguments were also made by the Representatives of Argentina, Belgium and Syria. On a vote the Security Council decided on 5 October, 1948, to place the question of Berlin on its agenda. The vote was 9 in favour and 2 against (the Soviet Union and the Ukraine). The Canadian Representative, General McNaughton, supported this motion.

8. The long debate referred to above regarding the admissibility of the question of Berlin to the agenda of the Security Council seems to be relevant insofar as the question of Formosa is concerned. In other words it would seem possible to argue that the decision of the Security Council to place Berlin on its agenda constitutes a precedent to the effect that Article 107 does not prevent the United Nations from considering and making recommendations regarding the status of an ex-enemy territory, even if such recommendations are not in accordance with the terms of the agreements signed by the main allied powers, provided that it can be established that the question concerned constitutes a direct "threat to the peace" within the meaning of Chapter VII of the Charter. This would seem to be the position taken by Mr. Jessup and Sir Alexander Cadogan - a position which was supported by Canada's vote. For this reason we think that, although the similarity between the Berlin and Formosa questions should not be exaggerated, the opinion of the Legal Division may need some modification when it states that, in view of Article 107, "China's assumption of control of Formosa with the consent of the remaining allies cannot be invalidated by the United Nations under the Charter".

J. W. Holmes

Acting Permanent Delegate.

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

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CYPHER - AUTO

SECRET

WA-1179

WASHINGTON, March 29, 1951.

50056-A-40
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Secret. Addressed External as WA-1179, repeated
New York Permdel No. 162.

Original on 50051-40

Japanese Peace Treaty

1. Following is text of an aide-memoire which
Sir Oliver Franks, under instructions from London,
will present to Mr. Dulles tomorrow March 30th on
subject of Chinese participation in negotiations
for a peace treaty with Japan and the disposition of
Formosa under the proposed treaty:

"It is the view of His Majesty's Government
in the United Kingdom that the Central People's
Government of China should be invited to participate in
any negotiations for the conclusion of a peace treaty
with Japan.

As regards the disposal of Formosa in the treaty of
peace with Japan, His Majesty's Government in the United
Kingdom consider that Japan should be required to renounce
her sovereignty over Formosa and cede it to China".

CANADIAN AMBASSADOR

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
TO : THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND.

No. 488

March 22, 1951

CONFIDENTIAL

NEUTRALIZATION OF FORMOSA

50056-A	40
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It is our understanding that, when the United States "neutralized" Formosa by using the Seventh United States Fleet, attacks by the Chinese Communists against Formosa were to be resisted and that the Nationalist Chinese would not be allowed to mount operations against the mainland or to interfere with coastal shipping.

A representative of the Ming Sung Company informed us recently that his company was hesitant to move some of its ships up the China coast for fear that they would be seized by Nationalist naval forces. When we pointed out that it was our understanding that the neutralization of Formosa forbade such seizure, he replied that a British vessel, belonging I believe to the Mona Navigation Company, had been seized since the neutralization was effected.

Would you please approach the United Kingdom authorities to ascertain whether there is any substance to this story and whether any British vessels have been attacked by Nationalist Naval forces in Chinese coastal waters since neutralization was proclaimed.

Secretary of State
for External Affairs.

Original on 6993-C-2-40

COPY

Mr. Norman Mr. Carter to see file ^{AM}

This memo was provided by the
Legal Div to clarify Mr. Reid's
point about "adherence" to the
Potsdam Declaration.

14 Mar 51.

Legal/J.S.Nutt/hb
File No. 50056-A-40

S E C R E T

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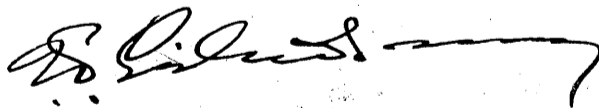
March 13, 1951.

MEMORANDUM FOR AMERICAN AND FAR EASTERN DIVISION

Re: Formosa

I refer to my memorandum of February 19 concerning Formosa, and in particular paragraph 8, in which I stated that in my opinion Canada had accepted the Potsdam Proclamation by signing the Japanese Surrender which provided for carrying out the provisions of Potsdam. By signing the Surrender, however, there was ~~not necessarily any implication of an acceptance of the Potsdam Proclamation except insofar as that Proclamation relates to Japan,~~ and in the interests of precision that should have been stated in paragraph 8.

You will see from the attached copy of the Japanese Surrender that Canada joined with China, and others of the Allies, in accepting the Japanese surrender, whereby Japan accepted the provisions of the Potsdam Proclamation and undertook to carry out its provisions. Thus in effect Canada has said to China, "We agree that Japan should carry out the provisions of the Potsdam Proclamation insofar as they relate to Japan and one of those provisions is that Formosa shall be returned to you".



Legal Division

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

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[Signature]

S E C R E T

CYPHER - AUTO

NO. 562

LONDON, March 6, 1951.

Original on
50051-40

50056-A	40
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Secret. Our telegram No. 555 of March 5th,
Japanese peace treaty.

1. Perhaps we should point out that the aide-memoire which is going to Franks is a document which sets out only the views of the United Kingdom Government. The wording of the document makes this quite clear.

2. We learned this morning, March 6th, that the supplementary memorandum has just been approved. At the time of sending this telegram, therefore, it would seem that Franks has not yet carried out the instruction.

3. Paragraph 6 of the aide-memoire reads as follows:

"6. Disposal of Formosa. His Majesty's Government's views on the wording of a clause on Formosa will be the subject of a subsequent communication at an early date."

4. We understand on the official level that I will shortly receive with a formal communication from the CRO., a copy of the aide-memoire and supplementary memorandum. We have already obtained informally a copy of the aide-memoire by way of advance information. The copy is being sent to you in to-day's air bag. As received it had no security classification but in

- 2 -

view of the circumstances we have marked it "secret".
We expect to receive later to-day in the same way
an advance copy of the supplementary memorandum.

HIGH COMMISSIONER

File copy

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SECRET

March 6, 1951.

50056-A-70
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MEMORANDUM FOR MR. NORMAN

Mr. J.M. Goté, the External Affairs member of the Joint Planning Staff, gave me some information which he had received today on Formosa at a briefing in National Defence headquarters.

2. The Intelligence authorities report that their current estimate is that there are 470,000 Nationalist troops on Formosa and that on the mainland in the general area of Formosa there are 70,000 to 80,000 Communist Chinese troops with 120,000 farther south. According to military information, there are no signs that the Chinese Communists have given up their intention sooner or later of invading Formosa. The military estimate is that the Nationalists have a better navy than the Communists and that they are consequently in a better position from that point of view to invade the mainland than the Communists are to invade Formosa. Unfortunately, the military did not appear to have an estimate of the morale of the Chinese Communists.

3. None of this information is very different from any we now have though I had thought the number of Nationalist troops on the island was rather higher. Without an estimate of the will of the Nationalists to fight, of course, these figures are useless.

R.L.Rogers.

OTTAWA FILE
No.....

Despatch No. **783**

Date: **March 5, 1951.**

SECURITY CLASSIFICATION
CONFIDENTIAL

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference: Our Despatch No. 721 of February 28, 1951.

Subject: Assistance to Formosa.

50056-A-40
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I should like to refer to paragraph 2 of my Despatch No. 721 of February 28. It has now been intimated to us by the State Department that present plans for ECA assistance to Formosa for the fiscal year 1952 are on the basis of a programme of approximately \$50 million. This, as you will be aware, represents an amount not very different to that assigned to Formosa for the fiscal year 1951.

W. Swatlow

For the Ambassador

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Circulate one copy to
Refr to: Mr. Reid
Economic Dir
Done
K. B.
off.
R. L. ROGERS
8 MAR 1951

MAR 8 1951
MAR 8 1951

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FILE COPY

OTTAWA FILE
No.....
SECURITY CLASSIFICATION
SECRET

50056-A	40
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Despatch No. **y- 970**
 Date **March 1, 1951.**

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
 THE HIGH COMMISSIONER FOR CANADA, LONDON, England.
 TO:

Reference: **Legal Status of Formosa**
 Subject:

Recently we have had under consideration what courses could be followed in disposing of Formosa. Consequently, the Legal Division was asked to prepare an opinion on the present status of Formosa. As you will see from paragraph 6 of the attached opinion by the Legal Division, it is considered that Formosa is still in law part of the Japanese Empire.

2. The Legal Division was also asked to consider whether it was within the power of the United Nations legally to dispose of Formosa. From the memorandum you will observe that the Legal Division is of the opinion that the United Nations cannot, by virtue of Article 107 of the Charter, presume to invalidate the action of the Chinese Republic in assuming control of Formosa which was consonant with the Cairo and Potsdam Declarations and with the consent of the remaining allies.

E. H. Norman

for the
 Secretary of State
 for External Affairs.

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SECURITY CLASSIFICATION
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5056-A-40
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Despatch No. **Y-937**
Date **March 1, 1951.**

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
TO: THE CANADIAN AMBASSADOR, WASHINGTON, D.C.

Reference:
Subject: **Legal Status of Formosa**

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Similar sent to: ... London
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... New York
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E. H. Norman
for the Secretary of State
for External Affairs.

FILE COPY

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OTTAWA FILE

No.....

Despatch No. March 1, 1951.

Date.....

SECURITY CLASSIFICATION

SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
TO: THE HEAD OF THE CANADIAN LIAISON MISSION, TOKYO, Japan.

Reference: Legal Status of Formosa

Subject:

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E. H. Norman
for the Secretary of State
for External Affairs

FILE COPY

OTTAWA FILE
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Y-435

50056-A-40
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Despatch No. March 1, 1951.

Date.....

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
 THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS,
 New York.

TO:

Reference:..... Legal Status of Formosa

Subject:.....

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E. H. Norman

for the
 Secretary of State
 for External Affairs.

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OTTAWA FILE
No.....

721

Despatch No.....

Date. February. 28., 1951.....

SECURITY CLASSIFICATION
CONFIDENTIAL

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference:.... Our Despatch No.. 629 of February 20., 1951.....

Subject:..... Assistance to Formosa.....

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MAR 2 1951

Copies Referred To.....

You will recall that \$40 million of the ECA "General area of China" appropriation was provided for Formosa for the fiscal year 1951 (i.e. until June 1951). We understand from the State Department that a recommendation is going forward that an additional \$20 million be provided for the 1951 Formosa programme. It is explained that this is necessary to maintain the programme because of rising costs, inflation, etc. The intention is either to use \$20 million of ECA funds designated for some other country but not used, or else to ask Congress to appropriate additional money for further assistance to Formosa under the 1951 programme. As you know, the Formosa ECA programme is intended chiefly to finance imports of industrial raw materials and equipment to facilitate industrial rehabilitation and maintenance.

2. It is expected that an ECA Formosa programme for the fiscal year 1952 will be recommended but no figures are available yet.

3. We understand that Mr. K.L. Rankin, United States Minister in Taipeh, has now returned to the United States for consultations with the Government.

No. of Enclosures
None

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P. Frelin
For the Ambassador

Circulate original to:

~~Mr. Reid~~
~~Mr. Norman~~
~~Mr. McCordle~~

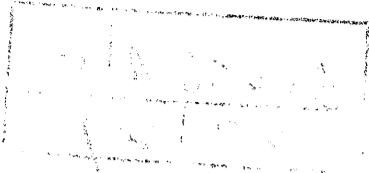
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Economic Div.

R. L. ROGERS
2 MAR 1951

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No.

SECURITY CLASSIFICATION
CONFIDENTIAL



751

Despatch No.
Date February 28, 1951

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
FROM: The Canadian Ambassador, Washington, D.C.

Reference: Our Despatch No. 629 of February 20, 1951.
Subject: Assistance to Formosa

You will recall that \$40 million of the ECA "General area of China" appropriation was provided for Formosa for the fiscal year 1951 (i.e. until June 1951). We understand from the State Department that a recommendation is going forward that an additional \$20 million be provided for the 1951 Formosa programme. It is explained that this is necessary to maintain the programme because of rising costs, inflation, etc. The intention is either to use \$20 million of HCA funds designated for some other country but not used, or else to ask Congress to appropriate additional money for further assistance to Formosa under the 1951 programme. As you know, the Formosa ECA programme is intended chiefly to finance imports of industrial raw materials and equipment to facilitate industrial rehabilitation and maintenance.

2. It is expected that an ECA Formosa programme for the fiscal year 1952 will be recommended but no figures are available yet.

3. We understand that Mr. R.L. Rankin, United States Minister in Taipei, has now returned to the United States for consultations with the Government.

For the Ambassador

Enclosed original to
Mr. Rankin
Mr. Norwood
Mr. [Signature]

2 MAR 1951
R. L. ROGERS
RECORDS-CLEARED
EXTERNAL AFFAIRS
MAR 2 1951
PM 3:41

<p>MAR 2 1951</p>
<p>Copies Referred</p> <p>To:</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>No. of Enclosures</p> <p>None</p>
<p>Post File</p> <p>No.</p>

Legal/J.S.Nutt/eru

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February 27, 1951.

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MEMORANDUM FOR AMERICAN & FAR EASTERN DIVISION

Re: Formosa

1. With regard to paragraph 4 of my memorandum of February 19, the following information which is contained in the certificate which was issued by the Foreign Office in connection with the case of Civil Air Transport, Incorporated v. Chennault and others in the Supreme Court of Hong Kong is a little more definite -

//

"On October 25th, 1945, as a result of an order issued on the basis of consultation and agreement between the Allied Powers concerned, the Japanese forces in Formosa surrendered to Chiang Kai-Shek.

//

Thereupon, with the consent of the Allied Powers, administration of Formosa was undertaken by the Government of the Republic of China."

*added to
these sent out.
K*

2. You might wish to add this to the memorandum of February 19 as an addendum.

K. S. Nutt
Legal Division.

Refer (without enclosures) to *Mr. Rags* *To see*
Defamation *Done* *K.B.*
23/2/51 *Mr. Hurley*

Ext 24

50056-A-40
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OTTAWA FILE
No.....

SECURITY CLASSIFICATION
CONFIDENTIAL

Despatch No. 629

Date... February 20, 1951.....

FROM: The Canadian Ambassador, Washington, D.C.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference:.....

Subject: Military Aid to Formosa.....

Y
O
MR

Enclosed is a copy of an Associated Press despatch, which appeared in the New York Herald Tribune on February 16, reporting on a proposed programme of \$50 million for military assistance to the Chinese Nationalists in Formosa.

2. Mr. O.E. Clubb, Director of the Office of Chinese Affairs at the State Department, confirmed yesterday that the State Department and the Pentagon had recommended to the White House the use of approximately \$50 million for military assistance to Formosa. This proposal has not yet been approved by the President but Mr. Clubb expected that approval would be forthcoming.

3. If Presidential approval is given, it is planned that the \$50 million will be taken from the sum of approximately \$300 million made available to the President last Autumn, under the Supplemental Appropriations Act, for use in the general area of the Philippines, Korea and China.

4. Mr. Club said he had no knowledge of plans to establish a military assistance advisory group in Formosa. His own personal opinion was that supervision of the arms aid programme would probably be carried out by the Office of the Military Attache in Taipei. He also had no knowledge of the reported plans of Vice Admiral Struble and Major-General Turner to go to Formosa from Tokyo for discussions with Chiang Kai-shek. He thought it possible, however, that this information had been given to the Press by the military authorities.

FEB 21 1951

Copies Referred To.....

No. of Enclosures
①

Post File No.....

RECEIVED SW 3:44

[Signature]
For the Ambassador

CANADIAN EMBASSY

WASHINGTON

Subject Military Aid to Formosa

Date February 16, 1951. Publication New York Herald Tribune

\$50,000,000 Formosa Arms Aid Is Under Study at White House

Pentagon and State Dept. Supporting Proposal
Military Advisory Mission Is Planned

By The Associated Press

WASHINGTON, Feb. 15.—A stepped-up program of arms aid to Chinese Nationalists' defense of Formosa was reported today by administration approval. Informed officials said it involved

planned outlay of some \$50,000,000 to strengthen the defense of the island stronghold against the threat of a Communist attack from the mainland. It calls also for sending a military advisory group to assure profitable use of the arms and supplies.

Officials familiar with the proposal said it has been recommended to the White House with Pentagon and State Department approval.

This developed after dispatches from Taipei, Formosa, told of reports that an American military mission was expected soon. Vice-Adm. Arthur D. Struble, commander of the 7th Fleet, and Maj. Gen. Howard Turner, 13th Air Force commander, are due there next week for talks with the Generalissimo Chiang Kai-shek.

What is contemplated, officials said, is a military assistance advisory group like that already in Indo-China. Such groups have been sent to countries sharing in the foreign arms aid program. Their primary role is to inspect, report and advise on the use of munitions. They do not exercise command or command advisory functions. The group for Formosa is expected to be named with the concurrence of General of the Army Douglas MacArthur as Far

was not involved in the fighting. Amounts have not been disclosed, but informants said the \$50,000,000 program represented a several-fold increase in the assistance given over recent months.

Under announced official policy, American aid is intended to strengthen the defense of Formosa and does not compromise a future peaceable settlement of the status of the island through the United Nations or other means.

The administration has turned down an offer by Chiang to supply 33,000 troops for the U. N. contingent in Korea, and has been cold to the idea of using the Na

113

AMERICAN TOW
OFFICE OF THE UNDER-SECRETARY

(Mr. Collins.)

This is a very
useful note -
especially the
conclusion. It
is not being
embodied in the
revision of the
magnum opus,
it should be
sent, so to
London, Washington,
Tokyo, CPD, etc.
+ ~~to~~ a
summary sheet to
the Mr. ...

JD

Feb 24/57

file
Norman
Legal/J.S.Nutt/hb
File No. 50056-A-40

February 19, 1951

SECRET

*Copy referred to USSFA
Mr. Rogers
UN Bureau
JW*

MEMORANDUM FOR AMERICAN AND FAR EASTERN DIVISION

Re: FORMOSA

The Island of Formosa was ceded to Japan by China in 1895.

2. By the terms of the Cairo Declaration, December 1, 1943, the United States, the United Kingdom and China declared it to be their purpose that "all territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China."

3. This Declaration was incorporated in the Potsdam Proclamation of July 26, 1945, which stipulated "The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine."

4. Presumably it was in conformity with these agreements that China assumed control of Formosa following the surrender of Japan, and proceeded to administer it as an integral part of the Republic of China. According to a statement made in the United Kingdom House of Commons last year, this was done "with the consent of the remaining Allies." At that time it was no doubt intended that this arrangement would be confirmed in the treaty of peace with Japan. The usual procedure is that partial acquisitions of another State's territory arising out of a war are confirmed by a peace treaty. | |

5. In August 1946 the Chinese Government informed the Canadian Government that "after the restoration of Formosa to Chinese sovereignty" Formosans had regained their Chinese

... 2

citizenship. This was acknowledged in terms identical to those used in the Chinese note. I do not think this acknowledgment to be of any particular significance. At most it is only evidence of the Canadian Government's attitude with regard to Formosa. It could not affect the actual legal status of Formosa.

6. In the circumstances, my conclusion is that, while the Republic of China assumed actual control of Formosa in 1946, Formosa is still, in law, part of the Japanese Empire.

7. On the assumption that this is so, the next question is whether the final disposition of Formosa is within the jurisdiction of the United Nations.

8. There can be no doubt, of course, that primarily the disposition of Formosa is up to the Allied Powers, presumably according to the Cairo Declaration, as incorporated in the Potsdam Proclamation, unless these are to be denounced. Canada and others of the Allied Powers, though not signatories of the Potsdam Proclamation, accepted it by virtue of their signing of the Instrument of Japan's Surrender, which provided for the carrying out of the provisions of the Potsdam Proclamation.

9. Article 107 of the United Nations Charter provides:

"Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such action." This would seem to mean that China's assumption of control of Formosa with the consent of the remaining Allies cannot be invalidated by the United Nations under the Charter. Discussion of the disposition of Formosa by the General Assembly under Article 10 is, I think, precluded. Article 11(2) or Article 14 might, however, be invoked.

10. In 1947 at the Second Session of the General Assembly, the Korean question was considered under Article 14. It was said that Article 107 did not preclude the examination of the case by the General Assembly. In that case, however, it was not a question of invalidating an action taken or authorized as a result of the war. At Cairo, Potsdam and Moscow, it was agreed that Korea should be an independent state. There was no question of the General Assembly making recommendations contrary to that decision. In fact, the General Assembly's consideration of the question was intended to facilitate the implementation of this arrangement in view of the inability of the U.S.S.R. and the United States to accomplish the agreed end.

11. It is submitted that, unless all the parties to the Cairo, Potsdam and Moscow agreements had acquiesced, the General Assembly could not, in view of Article 107, have passed a resolution recommending a disposition of Korea at variance with those agreements. Therefore, while it is agreed that the United Nations might invoke Article 11(2) or Article 14 to justify it considering Formosa, it would be barred by Article 107 from making any recommendation which would tend to "invalidate" the assumption of control of Formosa by the Republic of China.

12. My conclusion is, therefore, that even if Formosa is still de jure part of Japan, the United Nations cannot take any action which would presume to invalidate the action of the Chinese Republic in assuming control of Formosa. The onus for such action lies with the Allied Powers; this, of course, would involve denunciation of the Cairo and Potsdam Declarations.


Legal Division

c.c. United Nations Division

50056-A-40
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file
RLR
SECRET

February 15, 1951.

MEMORANDUM TO THE LEGAL DIVISION

The question of the legal status of Formosa will probably be raised in the meetings with Mr. Wrong on Far Eastern policy which begin on Monday.

2. It will be most helpful to know whether Formosa is considered to be legally still under Japanese sovereignty or whether the Cairo Declaration, subsequent act of surrender, and the effective government of the island by the Chinese since that time have together effected a transfer of sovereignty from Japan to China. It has always been assumed that it would be necessary for a Japanese peace treaty to include an article renouncing Japanese sovereignty over the island. However, it may be that the circumstances I have outlined above are considered to have sufficient binding effect in law to make such an article unnecessary.

3. The question also arises, if Formosa is still technically under Japanese sovereignty, can the island be disposed of by some other authority; i.e., could the United Nations agree that Formosa should be under Chinese sovereignty, until Japanese sovereignty had been removed as a result of a Peace Treaty.

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15 FEB 1951

D. S. Collins

American and Far Eastern Division.

FROM: THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS
NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

RESTRICTED

CYPHER - AUTO

NO. 192

NEW YORK, February 9, 1951.

*Original on
50069-A-40*

50056-A-	90
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Restricted. Addressed External Ottawa No. 192
repeated Beaver Washington No. 128.

Reference my teletype No. 172 of 3 February, Soviet
charges against the United States.

After three meetings of the Political Committee on 6
February and 7 February the committee disposed of the two
Soviet items on "United States aggression against China"
and "United States violations of Chinese air space".
These three meetings were marked by a mechanical repetition
by all the members of the Soviet bloc of the charges made
by Vishinsky on 27 November and by Tsarepkin on 2 February.

The latter insisted on tabling an additional resolution
regarding the "violation of Chinese air space" item besides
the resolution submitted by Vishinsky on 27 November concerning
/(A/C.1/637).
"United States aggression against China". The text of this
Soviet resolution is contained in my immediately following
teletype en clair.

2. Apart from Austin's statement on 2 February, the
only non-Communist representative to speak in the debate was
Tsiang of China who contended that a systematic campaign in
China against the United States had been fomented by the
Cominform since June 1949, i.e. a full year before the Korean
crisis.

3. After discussion, the Soviet resolution on "United
States aggression against China" (A/C.1/637) was voted down

with 49 against (including Canada), 5 in favour and 3 abstentions (Burma, Indonesia and Yugoslavia). The Soviet resolution on "United States violation of Chinese air space" was then voted down by 50 against (including Canada), 5 in favour and 2 abstentions (Afghanistan and Yugoslavia). The representatives of Egypt, India and Syria explained that they were voting against the two resolutions because of lack of evidence to back up these Soviet charges. However, all three of these delegations specifically reserved their position regarding the status of Formosa.

4. The committee also agreed to circulate the lengthy statement distributed to the press by Wu, prior to his departure from New York, as a committee document (A/C.1/661), but rejected a Polish motion that Wu's speech should be read by the secretary of the committee. The vote on this latter motion was 6 in favour, 32 against (including Canada) and 16 abstentions.

5. After disposing of these two Soviet items the committee took up the United States agenda item on Formosa. Jebb of the United Kingdom moved that debate on the item be adjourned indefinitely under Rule 115. Austin agreed ~~with~~ with this course stating that, while the United States wished to retain the item on the Assembly's agenda, they did not think any constructive purpose could be served by considering it at present. After discussion, Jebb's motion for indefinite adjournment of debate was adopted by 38 in favour (including Canada), 5 against (the Soviet bloc) and 8 abstentions. Nationalist China abstained on this motion, on the grounds that this item should not be retained on the agenda. The other abstaining states were from Asia and the Middle East. The Soviet bloc voted against the resolution on the grounds that the item should never have been admitted to the agenda of the Assembly in view of the fact that Formosa

came within the domestic jurisdiction of the Peking Government, and that to retain this item on the agenda was accordingly a violation of Article 2, paragraph 7 of the Charter.

6. No date has been fixed for the next meeting of the Political Committee and this will of course depend on the progress made by the Good Offices Committee established by the Assembly's resolution on Korea of 1st February. Apart from the implementation of this resolution of the Assembly, the Political Committee has now completed its agenda.

PERMANENT DELEGATE

To see: ~~Mr. Rogers~~
~~Mr. [unclear]~~

CANADIAN EMBASSY
Washington, D.C.,
February 6, 1951.

No 476

To the Secretary of State for External Affairs,
Ottawa.

I transmit herewith 3 copies of the document (x)
listed below.

50056-A-40
27 27

FOR Campbell
(For the Ambassador)

DOCUMENTS AND DATE	SUBJECT		
<p>S.J. RES. 15 of January 15, 1951.</p> <p><i>There is no estimate as to whether this Resolution will pass. 12.11.51. R.</i></p> <p><i>Enc 3.</i></p>	<p>Joint Resolution to provide for use of the Armed Forces of the U.S. in defense of Formosa.</p> <p><i>Y</i></p> <table border="1"><tr><td>Y</td></tr><tr><td>② DSC</td></tr></table> <p>FEB 9 51</p>	Y	② DSC
Y			
② DSC			

EXTERNAL AFFAIRS
RECORDS OFFICE

1951 FEB 9 PM 4:21

TO: DIRECTOR, EXTERNAL AFFAIRS

FROM: [Illegible]

RE: [Illegible]

[Illegible]

[Illegible]

[Illegible]

82^D CONGRESS
1ST SESSION

S. J. RES. 15

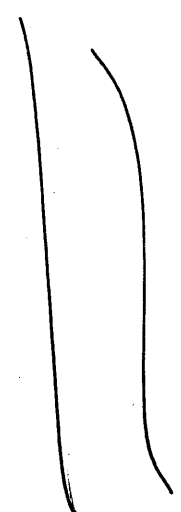
IN THE SENATE OF THE UNITED STATES

JANUARY 15 (legislative day, JANUARY 8), 1951

Mr. EASTLAND introduced the following joint resolution; which was read twice
and ordered to lie on the table

JOINT RESOLUTION

To provide for use of the Armed Forces of the United States in
defense of Formosa.

- 1 *Resolved by the Senate and House of Representatives*
 - 2 *of the United States of America in Congress assembled,*
 - 3 That the Armed Forces of the United States, acting under
 - 4 the direction of the Commander in Chief, shall take such
 - 5 action as may be necessary to defend Formosa against
 - 6 aggression or occupation by any Communist power, state, or
 - 7 force.
- 

82nd CONGRESS
1ST SESSION

S. J. RES. 15

JOINT RESOLUTION

To provide for use of the Armed Forces of the
United States in defense of Formosa.

By Mr. EASTLAND

JANUARY 15 (legislative day, JANUARY 8), 1951
Read twice and ordered to lie on the table

FROM: THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS,
NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

CONFIDENTIAL

CYPHER - AUTO

NEW YORK, February 3, 1951.

NO. 172

50056-A 10
27 87

*Original on
50067-A-10*

Confidential. Addressed External Ottawa No. 172,
repeated Beaver Washington No. 115.

1. At the meeting of the Political Committee at 3.00 p.m. yesterday, Friday, 2nd February, Austin replied in detail to the charges made by Vishinsky on 27th November, concerning "United States aggression against China" and "United States violations of Chinese air space". You will remember that these two charges were placed on the agenda of the Political Committee as separate items but at yesterday's meeting the committee decided to discuss them together.

2. Austin's statement contains some useful factual material and I am sending 2 copies of it to you by bag. The only other speaker was Tsarapkin of the Soviet Union who repeated at length virtually all of Vishinsky's charges of 27th November. Tsarapkin contended, however, that his statement of yesterday dealt only with the first of the two Soviet items - i.e., "United States aggression against China" and that he would have a further statement to make regarding "United States violations of Chinese air space". The Committee adjourned until 3.00 p.m., Tuesday, 6th February, and it is expected that, after listening to Tsarapkin's second statement and probably a statement by the Polish representative, the committee will be able to conclude discussion of these items at that meeting. Except for the

Soviet bloc, and naturally the United States, no other delegations have indicated that they wish to speak on these items.

3. The committee also has on its agenda the item concerning Formosa which was introduced by the United States delegation. We understand, however, that the United States delegation will now propose that consideration of this item be indefinitely deferred. It is not expected that such a procedure will meet with much opposition.

PERMANENT DELEGATE

DEPARTMENT OF STATE

FOR THE PRESS

50056-A-40
27 27
FEBRUARY 1, 1951
NO. 79

TEXT OF LETTER FROM ASSISTANT SECRETARY OF STATE JACK K. MCFALL TO REPRESENTATIVE HORACE SEELY-BROWN, JR., ON JANUARY 16, 1951.

"My dear Mr. Seely-Brown:

Original on 50067-A-40

"Reference is made to your telegram to the President dated January 1, 1951. The White House has referred your question regarding the use of Chinese Nationalist troops in Korea to the Department for reply.

"The question of the participation of Chinese Nationalist forces in the Korean hostilities or in a mainland offensive is both military (involving general strategy) and political (involving importantly the attitude of other members of the UN). In responding to such questions the Department must of course bear in mind the danger of making public information of great potential value to the Communists, regarding steps which will or will not be taken to meet the course of aggression upon which they are embarked. I am sure you will understand, therefore, why it is inadvisable at this stage to publicize the Government's views on these complex subjects. However, there are certain factors which I believe may be interesting and useful to you as background in considering what role the Chinese Nationalist forces might play in the present conflict in the Far East:

First, it should be kept in mind that although training has been proceeding in a creditable manner Chinese Nationalist military capabilities remain necessarily limited, particularly when contrasted with the huge reserve of effective manpower available to the Chinese Communists. It seems safe to estimate that Nationalist ground forces are outnumbered by Chinese Communist troops by at least 8 to 1. Although large Chinese Communist forces have been shifted to Korea for the present campaign of aggression, formidable forces are still ranged along the coast of China and at various interior points with easy access to the coast. These facts are relevant in considering whether a Nationalist landing on the mainland would substantially relieve the pressure on UN forces by diverting Communist troops from Korea.

Second, it may be assumed that any substantial increase in equipment required to prepare Nationalist forces for action in Korea or on the mainland must come from the United States. Our own ability to furnish large quantities of the principal items of military equipment is limited by available supply and by urgent demands from many quarters. For example, if we could equip additional Nationalist divisions at this point, would it not be preferable to use this equipment to arm more Koreans to participate in the fighting for their own homes and country?

Third, the principal mission of the forces on Formosa must be the defense of the Island itself. The importance of this defensive mission will increase in the weeks to come as weather conditions become more favorable for possible Communist amphibious operations in the Formosa Strait. Would it be desirable to weaken the defense of Formosa by drawing upon those Nationalist units which can be considered effective? Units which are not effective would be of little use to the UN in its campaign in Korea or in an invasion of the Communist mainland. It must

also

also be remembered that the supply of Chinese Nationalist forces on Formosa is not freely renewable as is the case on the mainland, and that troops lost in operations elsewhere would tend to diminish the total supply of forces available to the National Government on the Island.

Fourth, we must not lose sight of the fact that operations in Korea are UN operations and that the views of the many other countries participating in the operation are factors to be taken into account.

The Department appreciates your interest in this complex and important problem. I hope the foregoing discussion of certain of its aspects will prove helpful to you.

Sincerely yours,

For the Secretary of State:

Jack K. McFall
Assistant Secretary

The Honorable
Horace Seely-Brown, Jr.,
House of Representatives.

* * *



*Mr. Norman
McDermott
to see
R.E. Collins*

PERSONAL AND CONFIDENTIAL

Washington, January 23, 1951.

50056-A-4
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Dear Ralph:

You will have seen our various telegrams on the recent Gross statement, reporting the State Department's denial that Gross' speech meant anything new with regard to United States' Formosa policy. I understand that, as well as the comments by Rusk and McDermott reported to you in our telegrams, Sir Oliver Franks was told categorically by Rusk yesterday that the United States position with regard to Formosa had not changed.

Despite these official statements, the impression here, as ~~stated~~ in the enclosed admirable editorial written by Herbert Elliston, Editor of the Washington Post, is that Gross' address does reflect a hardening of the Administration's attitude with regard to Formosa.

J. L. Sweeney
Patel

R.E. Collins, Esquire,
American & Far Eastern Division,
Department of External Affairs,
Ottawa, Ontario,
Canada.

CANADIAN EMBASSY WASHINGTON

Subject Formosa

Date January 23, 1951. Publication Washington Post

ambassador Gross was announcing another dazzling turn in our Formosa policy over the weekend in New York may allay the misgivings which the Gross statement created among our allies. The Gross statement is said simply to have been a rehash of existing policy. Actually there was a difference in both tone and wording. Mr. Gross said that our policy provided for the inclusion of the Chiang Kai-shek government in any discussions on the future of the Japanese island, and this has given the impression abroad that we are more firmly wedded than ever to the Chinese Nationalists. First, we announce resumption of official aid in war material to Chiang Kai-shek, and then we seemed to make him a party in interest in the disposition of Formosa. Mr. Gross omitted altogether the reference to the United Nations which was the key to the December 8 communique issued by Messrs. Truman and Attlee.

It is time to point out that the American Alliance as well as the United Nations are being put in jeopardy by the hardening of the American attitude on Formosa. This is a pretty serious. We happen to be the leader of a coalition of nations which can be kept together only by the kind of leadership which is wise and considerate. The wisdom of the present course will be questioned throughout the coalition. Why is Formosa wrapped up in America's "national interests and security," as Mr. Gross says? The island would be vital in this respect only if we got into war with China on the mainland, and this we are always being assured is not even envisaged. How can there be a successful meeting of minds on a peace treaty on Japan if Chiang Kai-shek is to be consulted about Formosa? This would mean a disposition of the island to the Nationalists, and, since most of our friends have withdrawn diplomatic recognition of Chiang Kai-shek, they cannot possibly consider the validity of Chiang's claim as the heir of the Japanese. This is no way to guide and control a coalition. It is not the way that Pitt nursed along the alliance of powers which eventually brought about the downfall of Napoleon; nor is there in it that "splendid moderation" which governed Castlereagh in keeping the coalition together in the transition from war to peace. The Gross statement took no account of consequences - an unfortunate habit of our

verse in Korea is cataclysmic only in our minds, but if we lose faith in ourselves, and go off half-cocked in reacting to it, then we shall imperil our prestige. It is conserved by acknowledging and applying the lessons of experience. Prestige is not sustained by a stubborn clinging to positions which have changed in the opinion of everybody but ourselves. The object of the action in Korea was to establish a free and independent Korea. Chinese intervention has frustrated that design, but the object remains, and it is foolhardy to slam the door against any honorable accommodation which the future might open up. The hope is pretty bleak, though the Indian proposal is a relaxation in the attitude of the Peking regime to the extent of admitting a cease-fire proposal as the first order of business at a Far Eastern conference under U. N. auspices. This may be nothing but a maneuver to sharpen division in this country and between this country and its allies. It is impossible to tell. But this we know, that a condition of the health of our alliance is less rigidity in our Far Eastern diplomacy. In particular, our views on Formosa ought to be kept fluid. At the present pace the island is fast becoming a Chiang-American military base, rather than a diplomatic counter, and the Gross statement appeared to confirm us in a course which would lead straight to war with the

Refer (with enclosure) to
USS/EA
Division 1+2
DNI Done Jan 16/51-PW
To Sec: ~~Jan 16/51-PW~~
~~Jan 16/51-PW~~

DNI
50056-A-90
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OTTAWA FILE
No.....

SECURITY CLASSIFICATION
SECRET

Letter No. 177

Date.. January 13, 1951.....

FROM: The Canadian Embassy, Washington, D.C.

TO: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

Subject: Formosa

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MA

JAN 15 1951

I enclose a copy of a United Press article, which appeared in the Washington Post this morning, reporting the massing of small ships by the Chinese Communists off the South China "Formosa invasion coast". The article is based on comments reportedly made at a Pentagon briefing by Rear Admiral Thomas H. Binford, former Commander of the United States Seventh Fleet. Admiral Binford is said to have given it as his opinion that a Communist attack on Formosa could take place at any time, but that the approaching spring, starting with March, is the most likely period for an attempted assault.

2. Information given to Mr. Campbell by Mr. Cyrus Peake, Intelligence Adviser to the Bureau of Far Eastern Affairs of the State Department, gives some credence to the United Press report. Mr. Peake said that intelligence reports received at the State Department indicate that it may be the intention of the Chinese Communists to press an attack against Formosa in the spring, in the face of the U.S. Seventh Fleet's patrols. Mr. Peake also thought next March a likely time for the launching of an assault on Formosa. He gave it as his opinion that, if a major effort were made from the mainland to take Formosa, the Chinese Communists would be able to get a certain number of troops onto the Formosan beaches despite possible active intervention by the Seventh Fleet.

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No. of Enclosures
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Post File
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L. J. ...
The Embassy.

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EXTERNAL AFFAIRS
RECORDS CLEARED

1951 JAN 15 11:24 AM

[Handwritten signature]

Several hundred copies of this document were distributed to the various offices of the State Department. It was also distributed to the various offices of the United States Information Administration. The document contains information regarding the activities of the various offices of the State Department and the United States Information Administration.

The information contained in this document is classified as confidential. It is to be held in confidence and not to be disseminated outside the office to which it is addressed.

CONFIDENTIAL

STATE DEPARTMENT

[Handwritten notes and signatures]

RECEIVED
OFFICE OF THE SECRETARY OF STATE
U.S. DEPARTMENT OF STATE
WASHINGTON, D.C.

CANADIAN EMBASSY
WASHINGTON

Subject Formosa

Date January 13/51 Publication Washington Post

Chinese Reds Mass Ships Off Formosa

By the United Press

The Chinese Communists have massed scores of small ships off the South China coast opposite the Nationalist-held island of Formosa and could stage an invasion attempt "overnight," a Navy spokesman said yesterday.

The report was given at a Pentagon briefing by Rear Admiral Thomas H. Binford, former commander of United States Seventh Fleet units now patrolling the 90-mile strait between Formosa and the Chinese mainland.

President Truman ordered the naval patrol at the outbreak of the Korean war last June to prevent Formosa and try to prevent the fighting from spreading.

Binford said he personally believes that rough weather and other considerations will dissuade the Communist from trying to attack Formosa until at least next winter. But he added that the situation "is like sitting on a powder-keg."

Something could happen overnight, he said.

Binford expressed the belief that Communist forces would have a "pretty tough" time trying to take Formosa.

Even if an invasion fleet could get through the United States naval patrol, he said, the Formosan Nationalist troops under Generalissimo Chiang Kai-shek would provide heavy opposition on shore.

Senator Robert A. Taft (R-Ohio) demanded Thursday that President Truman "unshackle" Chiang and permit him to continue to fight for the island.

He also demanded that the United States Navy and Air Force be ordered to blockade the entire mainland of China. Taft pointed to the fact that the Seventh Fleet patrol works both ways—preventing Chiang from making moves against the mainland as well as standing in the way of a Communist attempt to invade the island.

Senator Pat McCarran (D-Nev.) called for a one-billion-dollar program of military aid to Chiang to build up a Chinese Nationalist force to challenge Communist power on the mainland.

Representative H. R. Gross (R-Mich.) urged in a letter to Mr. Truman yesterday that United States Navy and Air Force units be ordered to blockade the entire mainland of China.

He also called for withdrawal of American troops from Korea, and said events have proved that the United States "cannot win" a ground war on the Asiatic mainland.

Binford said the Communist fleet massed opposite Formosa includes some small steam vessels, some United States built landing craft captured from the Nationalists, and a great number of motor or sail powered boats.

He said the straits of the Straits are extremely narrow at this time of the year and that the landing power of the Communists is limited.

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS,
NEW YORK

No. 60

January 11, 1951

50056-A-40	
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Following for the Minister, Begins:

1. You may be interested to learn that Brigadier Fleury reported to N.D.H.Q. recently that he has been reliably informed of a trip General MacArthur had made to visit Chiang in Formosa during the last week of the last year. Ends.

Original on 50069A-40

FILE COPY

Am. & F.E. /R.E. Collins/CF

RC

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

January 10, 1951.

No. *✓* 134.

50056-A-40
27 | 46

Sir,

I enclose the document (s) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The Canadian Ambassador,
Canadian Embassy,
Washington, D.C.,
U.S.A.

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Despatch No. 21 of January 3, 1951, from the High Commissioner for Canada, London.	United Kingdom representative in Peking.

Repeated to London as No. 87

FROM: THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS,
NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

50056 A 10	
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IMMEDIATE

SECRET

*Original or
50069-A-10*

CYPHER - AUTO

NO. 46

NEW YORK, January 9, 1951.

Secret. Addressed Dominion London (Communications Ottawa please pass to London "Immediate") repeated (Immediate) External Ottawa and repeated (Immediate) Beaver Washington.

Following for Prime Minister from Pearson, Begins:

1. In the light of your comments and suggestions, I have revised the proposed statement of principles and have gone over it with Rau, Jebb, and Gross of United States delegation. Text given below incorporates suggestions from all of them. Gross could not, of course, commit his Government to acceptance, but said that he would send it at once to Washington. Rau has not yet had opportunity to comment on text in this exact form, but it does not differ materially from text he saw earlier today.

2. I think that this text will go far towards assuring Peking Government that subjects which concern them will be discussed in favourable circumstances. If United States Government is prepared to acquiesce in revised text with references to Formosa and representation as agenda items, it will be important to know as soon as possible whether Mr. Nehru will, as we very much hope, be prepared to allow Sir Benegal when Political Committee meets on Thursday to be associated in putting forward draft statement as addition to Cease Fire Group's report.

3. Text of revised draft statement of principles is as follows, text begins:

The objective shall be the achievement, by stages, of the programme outlined below for a cease-fire in Korea, for the establishment of a free and united Korea, and for a peaceful settlement of Far Eastern problems.

1. In order to prevent needless destruction of life and property, and while other steps are being taken to restore peace, a cease-fire should be immediately arranged. Such an arrangement should contain adequate safeguards for ensuring that it will not be used as a screen for mounting a new offensive.

2. If and when a cease-fire occurs in Korea, either as a result of a formal arrangement or, indeed, as a result of a lull in hostilities pending some arrangement, advantage should be taken of it to pursue consideration of further steps to be taken for the restoration of peace.

3. To permit the carrying out of the General Assembly resolution that Korea should be a unified, independent, democratic, sovereign State with a constitution and a Government based on free popular elections, all non-Korean armed forces will be withdrawn, by appropriate stages, from Korea, and appropriate arrangements, in accordance with United Nations principles, will be made for the Korean people to express their own free will in respect of their future Government.

4. Pending the completion of the steps referred to in the preceding paragraph, appropriate interim arrangements, in accordance with United Nations principles, will be made for the administration of Korea and the maintenance of peace and security there.

5. As soon as a cease-fire has been arranged, the General Assembly shall set up an appropriate body, which shall include representatives of the Governments of the United Kingdom, the United States of America, the U.S.S.R. and the People's Republic of China, with a view to the achievement of a settlement of Far

Eastern problems, including, among others, those of Formosa and the representation of China in the United Nations. Text ends.

PERMANENT DELEGATE

FROM: THE CANADIAN PERMANENT DELEGATE TO THE UNITED NATIONS,
NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

50056-A/0	
33	27

IMMEDIATE

SECRET

CYPHER - AUTO

NO. 43

NEW YORK, January 9, 1951.

Original on 50069A-40

Secret. Addressed Washington Most Immediate No. 31,
repeated (Immediate) External Ottawa No. 43.

Note: This message is not to be repeated to London at this time.

Following for Mr. Wrong from Riddell, Begins:

1. Mr. Pearson saw Jebb and Rau at lunch today, and went over with them a revision of the draft statement of principles, incorporating certain further revisions which they suggested. This revision is meant to bring the draft statement of principles in line with the views which seem to have emerged from the discussions in London. Rau was not, of course, able to indicate whether, even in their revised form, they will be acceptable to Mr. Nehru.

2. Mr. Pearson is seeing Gross at four o'clock this afternoon to discuss revised principles with him. He realizes that reference to agenda in opening and concluding paragraphs will be difficult for the United States Government, although in substance revised statement does not go much further than has already been agreed to by the United States delegation. The reference in the opening paragraph to the Cairo Declaration is intended to be one which covers both Korea and Formosa.

3. Revised draft statement of principles is as follows:
text begins:

"The objective shall be the achievement, by stages, of the programme outlined below for a cease-fire in Korea and for a peaceful settlement of Far Eastern problems, taking account of the Cairo Declaration, the Charter of the United Nations, and the resolutions of the General Assembly affecting these

problems, including such questions as the independence and unity of Korea, the disposition of Formosa (Taiwan), and the representation of China in the United Nations.

(1) In order to prevent needless destruction of life and property, and while other steps are being taken to restore peace, a cease-fire should be immediately arranged. Such an arrangement should contain adequate safeguards for ensuring that it will not be used as a screen for mounting a new offensive.

(2) If and when a cease-fire occurs in Korea, either as a result of formal arrangement or, indeed, as a result of a lull in hostilities pending some such arrangement, advantage should be taken of it to pursue consideration of further steps to be taken for the restoration of peace.

(3) To permit the carrying out of the General Assembly resolution that Korea should be unified, independent, democratic sovereign State with a constitution and a government based on free popular elections, all non-Korean armed forces will be withdrawn, by appropriate stages, from Korea, and appropriate arrangements will be made for the Korean people to express their own free will in respect of their future Government.

(4) Pending the completion of the steps referred to in the preceding paragraph, appropriate interim arrangements will be made by the United Nations for the administration of Korea and the maintenance of peace and security there.

(5) As soon as a cease-fire has been arranged, the General Assembly shall set up an appropriate body which shall include representatives of the United Kingdom, the United States of America, the U.S.S.R., and the People's Republic of China, with a view to the achievement of a peaceful settlement of Far Eastern problems, including, among others, those of Formosa and the representation of China in the United Nations." Text ends. Ends.

PERMANENT DELEGATE

AIR BAG

Ext. 1

50056-A-40
27/27

OTTAWA FILE
No.

SECURITY CLASSIFICATION

Despatch No. 21.

Date. January 3, 1951.

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference: ...Our despatch No. 3337 of December 21, 1950.

Subject: ...United Kingdom representative in Peking.

We reported in paragraphs 6 and 7 of our despatch under reference a statement made by Mr. Lionel Lamb that he might be going to Peking after Christmas for the United Kingdom Government. Mr. Lamb had just returned from Lake Success where he had been sent to help the United Kingdom delegation there during the visit of Mr. Wu and the other delegates from Peking. Our enquiry at the Foreign Office elicited the fact that Mr. Lamb was in fact to be sent to replace Mr. (now Sir) John Hutchison.

2. As announced in the London press on December 30 Mr. Lamb will proceed shortly to Peking and Sir John Hutchison will return and retire from the Service. We are told by the Foreign Office that Mr. Lamb will go early in February.

3. The new envoy has had many years of experience in working with the Chinese. He served in the United Kingdom Consular Service in China from 1922 to 1943. From February 1947 to September 1949 he was Minister at the United Kingdom Embassy in Nanking.

Copies Referred

To.....

No. of Enclosures

None

Post File

No. AR 6/8

Copies to:

Canberra
New Delhi
Karachi
Pretoria
Wellington
Paris, Berne
Stockholm
Moscow
Tokyo

Refer to: USS/EA Done - EF
Councils Div. Jan. 10/51
Washington H. R. Home
To see Mr. Home
Minister for the
High Commissioner.

Y

MR

132170M @ BW IS: 11

ALL INFO OBTAINED
EXTERNS AFFAIRS

EXTERNAL AFFAIRS
RECORDS-CLEARED

1951 JAN 6 PM 12:11

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1948 he was appointed as the United Kingdom representative
from 1938 to 1942. From November 1942 to September
1948 he worked in the United Kingdom Consulate General in Canton
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Consulate General in Canton from 1938 to 1942. He worked
in the United Kingdom Consulate General in Canton from 1938 to 1942.

Subject: United Kingdom representatives in Beijing.

Reference: Your despatch No. 1023 of December 27, 1950.

TO THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
FROM THE HIGH COMMISSIONER FOR CANADA, LONDON.

Date: January 2, 1951.

Despatch No. 87.

SECURITY CLASSIFICATION

NO
CLASSIFIED

VIB 878

copy #1 of 8 copies

EXT. 97.

MESSAGE FORM OUTGOING

FILE REF.	50056-A-40
File No.	50056-A-40
Sub. 5. Chron. Filed	
SECURITY CLASSIFICATION	
TOP SECRET	

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE HIGH COMMISSIONER FOR CANADA
CANBERRA, AUSTRALIA

DOWNGRADED TO SECRET
REDUIT A SECRET

Message To Be Sent	No. 174	Date December 28, 1950	For Communications Office Use Only SENT -- DEC 28 1950
EN CLAIR			
CODE			
CYPHER <i>OTP</i>	X		

Degree of Priority

ORIGINATOR
Sig. R.A. MacKay

Typed: elb

Div. Def. Liaison

Local Tel. 3402

APPROVED BY
Sig. *[Signature]*

Typed:

Is This Message Likely To Be Published
Yes () No ()

Internal Distribution:
SSEA #3
only #6
Am FE #6
Comm

Done *Pmb.*

Date *Jan. 2/50*

Copies Referred To:

Done

Date

My telegram No. 171 of December 22 repeating message to Riddell.

Please thank Mr. Spender for arranging to forward to me a copy of his admirable paper on the Far Eastern situation. I asked Riddell to tell ~~Mr~~ Keith Officer that I would forward through your Office an account of some indications we have recently received on U.S. views on the strategic importance of Formosa. Below is a summary of these views as obtained informally on our initiative through a high military level. It should of course not be revealed to any U.S. officials that we have passed on these views. Summary begins:

It appears that the U.S. military authorities regard the neutralization of Formosa, or at least its denial of use by the Chinese Communists, as the main consideration. They feel that it would be intolerable to have their air routes between Okinawa and the Philippines interfered with by long-range fighters based on Formosa. On the other hand, although they have no intention of relieving the 7th Fleet of responsibility of stopping aggression by Communist China against Formosa, they would not consider it worth risking a major war ~~even~~ to maintain the neutralization of Formosa. It is evident that they would consider Formosa of less

- 2 -

importance strategically if U.S. forces were withdrawn from Korea, but there is no indication that any such withdrawal is presently in prospect. Summary ends.

SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

COPY NO. 2 OF 23 COPIES

FROM: THE HIGH COMMISSIONER FOR CANADA, NEW DELHI, INDIA
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

DOWNGRADED TO SECRET
REDUIT A SECRET

TOP SECRET

IMPORTANT

CYPHER - O.T.P.

NEW DELHI, December 27, 1950.

NO. 302

*Original on
50064-A-40*

50056-A-40
27 27

Top Secret. Reference your telegram No.190 of December 26th.

Would suggest that inclusion of Formosa in general Far Eastern discussions need not be appeasement but could be valuable leverage for settlement in Korea. If Chinese can claim Formosa as inheritor of Cairo Conference, they must also accept obligation therein that Korea shall become free and independent.

HIGH COMMISSIONER

DOWNGRADED TO SECRET

REDUIT A SECRET

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50056-A-10	
27	27

TOP SECRET

December 26, 1950.

MEMORANDUM FOR MR. R. A. MACKAY:

General Gruenther's Views on Formosa

Since you may not yet have seen a message from Mr. Spender to Sir Keith Officer containing Mr. Spender's present views on the situation in the Far East, I am attaching a copy for your information. I also attach a telegram sent by Mr. Pearson to Mr. Riddell expressing Mr. Pearson's general agreement with Mr. Spender's views.

2. You will notice in the last paragraph of Mr. Pearson's telegram that he promises to transmit to Mr. Spender, through our mission in Canberra, the recent indications we have received of the United States views on the strategic importance of Formosa. This is a reference to the telegram sent by General Foulkes to Mr. Heeney reporting on Foulkes' discussion with General Gruenther. The Minister would be grateful if you would prepare a brief message to Canberra summarizing, in a suitably sanitized way, Gruenther's remarks. The message to Canberra should be in such a form that it could be communicated to Mr. Spender.

3. Would you please be good enough to return to me these two attachments when you are finished with them.

*Attachments
returned.*

D.V.L.P.

*Teleg. sent Australia
Dec 29/50
RAM*

D. V. LePan
D. V. LePan

26-12-38(55)

FROM: THE HIGH COMMISSIONER FOR CANADA, NEW DELHI
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

IMMEDIATE

CYPHER

No. 301

50056-A-40	
27	27

SECRET

NEW DELHI, December 25, 1950.

Original on 50069-A-40

Secret. Following for the Minister from Chipman, Begins:

1. I have received today from Bajpai the following message for you from Ronning, which he has conveyed through Panikkar because he has no cypher privileges. Message begins:

I should like to emphasize that situation as it has developed in regard to Korea and generally in the relations of western nations with China though threatening is still capable of peaceful settlement. The main obstacle is United States position in respect of Formosa. Since American action in regard to Formosa taken unilaterally and without sanction of United Nations the position of that body becomes anomalous in negotiating a settlement on Korea and other issues. There would appear to be little chance of China agreeing to any negotiations unless position in Formosa is restored to what it was before American action. As this is primary obstacle to United Nations action in favour of peace, I would suggest that you should strongly press on United States desirability of removing this obstacle in the interest of peace. Message ends.

HIGH COMMISSIONER

W A R N I N G

This message must be paraphrased if to be communicated to persons outside of government service.

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

S E C R E T

CYPHER - AUTO

WA-3350

WASHINGTON, December 22, 1950.

Original on 50069-A-40

50056-A-40
27 27

Secret. Addressed External WA-3350, repeated Permdel New York No. 349.

My WA-3346 of December 21st. Discussion on Far Eastern questions.

1. Representation of China in the United Nations. I pointed out to Hickerson that the qualifications in Article 4 of the Charter for admission to membership did not apply to the substitution of the Communist Chinese for the Nationalist Chinese; China was already a member, and the issue was the question of fact of who controlled China. I then put forward as a wholly personal suggestion the idea that the issue of principle involved in the seating of an aggressor Government might be met in part by moving a resolution at the first meeting of the Security Council at which the Chinese Communists were seated invoking Article 5 and recommending the suspension of China from membership. Such a resolution would be vetoed by the Soviet member, but if all or nearly all the other members supported it, it would go some distance towards meeting the moral dilemma. I said that clearly this procedure could not be invoked immediately but an opportunity might present itself before very long.

Hickerson did not think much of this suggestion. He frankly declared that it was impossible for the United States to agree to the admission of the Chinese Communists to the United Nations unless they had taken some steps to expiate their offences in Korea. He was unmoved by the argument that it was better to have the Chinese Communists at the conference table where they could be put on the spot than to deal with them through the various ineffective channels which are all that are now open. He said that he believes that if they came into the United Nations in the near future the United States

would go out. Although the United States is committed to accept a majority vote for their admission, they would work vigorously to prevent a majority being secured. He did not argue that the Nationalists were more representative of the Chinese State than the Communists, but thought it possible that before long neither authority would be accepted as representing China, so that the Chinese seat would become vacant.

2. Continued Recognition of Chiang Kai Shek. I put to him the view that a withdrawal of recognition of Chiang Kai Shek by the United States seemed to me essential before much progress could be made towards a Far Eastern settlement. I am sure that he believes that there is no chance of the regime in Formosa becoming once more the Government of China, nor did he disagree when I argued that the intense interest of the Chinese Communists in Formosa probably sprang far more from their desire to eliminate the Nationalists there than from their wish to obtain control of the island for its own sake. I think that he might support withdrawal of recognition from Chiang Kai Shek before very long.

3. Formosa. As to the future of the island, he argued that the Cairo Declaration was only an assertion of intent by three governments, which in itself violated one of the principles of the Atlantic Charter in that it paid no attention to the wishes of the inhabitants. He had recently consulted independently two Far Eastern experts with long service on the mainland and in Formosa, and asked them which of five possible courses would in their opinion be most acceptable to the Formosans. Both had put independence as their first choice, with some form of trusteeship as their second choice. Both had also put the handing over of the island to the Chinese Communists as their fifth choice. One had placed third and the other fourth an arrangement attaching Formosa to Japan on an autonomous basis with free trade. The other possibility was maintenance of the present situation, and one had put this fourth and the other third.

He said these judgments had been given by the officers concerned with all due reserve, and he continued to favour the proposal that a

competent commission should be sent to the Far East by the United Nations with the task of sampling the wishes of the Formosans. Since Japan has for long been the chief market for Formosan products and the source of supply of manufactured goods, if possible, whatever political status was settled, provision should be made for free trade between the island and Japan.

CANADIAN AMBASSADOR

Ext. 180

AIR BAG

File

50056-A-40
27 | 27

OTTAWA FILE
No.....

SECURITY CLASSIFICATION
CONFIDENTIAL

Despatch No...3337.....

Date...December 21, 1950.....

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference:.....Our telegram No. 2292 of November 25, 1950.....

Subject:.....Transit of Peking delegation through London.....

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DEC 27 1950

Copies Referred

To.....
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No. of Enclosures

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Post File

No. AR 50/1.....

Yesterday, December 20, Mr. Wu and his colleagues of the Peking delegation landed at London Airport from New York and left later in the day from Northolt en route for Prague.

2. The delegation were met by United Nations and Foreign Office representatives and by the Soviet, Czech and Polish Ambassadors and the Roumanian Minister. This Soviet group may be contrasted with the Czech Charge d'Affaires who was the only representative of the Soviet bloc who met the delegation on the outward journey to Lake Success. The Foreign Office representatives were Mr. Shattock, Head of the Far Eastern Department, and an administrative officer.

3. The Foreign Office secured the usual diplomatic courtesies for the delegation in customs and immigration matters and, as before, asked if they could be of any assistance. We are told that the delegation declined the offer in a friendly and courteous manner. Mr. Wu was driven to Northolt by the Soviet Ambassador accompanied by the United Nations car.

4. Attached is the text of Mr. Wu's statement to the press as given in The Times this morning. You will note the emphasis on references to the "United States military adventurers" and "United States ruling circles" on whom the statement lays the blame for the present situation in the Far East. This emphasis may be deliberately designed to influence those left wing members of the Labour Party whose anti-American bias and whose tendency to skate over the behaviour of the Peking Government we have reported in recent despatches. The statement concluded with greetings to "the peace-loving people in England".

5. The Communist press gave to this statement the caption "We'll Still Try Peace" and the sub-caption "Promise by China's delegate" and gave prominence in the text to Mr. Wu's declaration that "we shall still do our utmost to find a peaceful solution to the Far Eastern problem". It quoted Mr. Wu as referring in his conclusion to "the peace-loving people of Britain".

V

DEC 27 10 36 AM 1950

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TO THE SECRETARY OF STATE FOR EXTENSIVE REPLYING - CANADA

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6. The Daily Telegraph carried on its back page this morning an inconspicuous report in which Mr. Lionel Lamb is quoted as having said: "I might go to Peking after Christmas for the British Government." As you know, Mr. Lamb, who was at the United Kingdom Embassy in Nanking from February 1947 to September 1949, travelled to London from Lake Success on the same plane as the Peking delegation.

7. We mentioned informally to the Foreign Office this morning that Mr. Lamb's remark lent itself to more than one interpretation and we asked whether it could be clarified. We were told in strict confidence that Mr. Lamb's remark was a little premature though there is truth in it in so far as the Foreign Office are considering making a change of personnel in Peking. We have been asked to keep this information to ourselves for the present. The Foreign Office may issue a statement on the subject shortly.

H. R. Horne
for the High Commissioner.

GEN. WU'S STATEMENT

General Wu Hsiu-chuan, the leader of the Communist China delegation to the United Nations General Assembly at Lake Success, who arrived at London Airport yesterday on their way home, said that the Chinese were anxious to find a peaceful solution to the Far Eastern problem. The delegation left Northolt later yesterday for Prague on the next stage of their journey to Peking. General Wu said:—

In order to stop aggression by the United States and to restore peace in the Far East, we proposed to the United Nations Security Council, as the basis of a peaceful settlement of the problem of the Far East, that the United States Government withdraw its armed forces from Taiwan (Formosa), cease its intervention in Korea, and withdraw from Korea all the United States and other foreign troops so that the problem of Korea may be solved by the Korean people themselves. This is a proposal to stop the war. But the United Nations Security Council, under the manipulation of the United States ruling circles, rejected our peace proposal without due consideration. The United States military adventurers have supported with ulterior motives the proposal of "cease-fire first" in Korea, in an attempt to deceive the people of the whole world. But as everyone knows, only through efforts for the cessation of war may we have a real cease-fire.

The real purpose of the so-called "cease-fire first" proposal as supported by the United States military adventurers is to tie the hands of the Korean People's Army and the Chinese volunteers so that the United States troops may continue the aggression and extend the war. Such traps were set for the Chinese people many times in China by Chiang Kai-shek with the help of General Marshall. Hence, the Chinese people are not inexperienced in such traps. We should like to unmask such traps to the peace-loving people of the whole world.

U.S. ATTACKED

That the small group of the United States ruling circles should do so is not unexpected. They have persistently refused to recognize the existence of the People's Republic of China, and have denied its rights of expression and representation on all Far Eastern problems concerning China. They have wantonly interfered in China's internal affairs, stubbornly supported the Chiang Kai-shek reactionary clique, and openly committed aggression against China. They are determined to make enemies of the 475,000,000 people of China.

People of the whole world have seen the bankruptcy of this reactionary policy of aggression of the United States. But in order to continue such a bankrupt policy the United States ruling circles are frantically preparing to push the whole world—eastern Asia and western Europe—into the abyss of war. President Truman has openly announced the consideration of the use of the atomic bomb in Asia.

The United States Government has proclaimed a state of national emergency, and has applied coastal blockade and economic sanction against the People's Republic of China. At the same time in Europe the United States Government has restored the Nazi military forces of west Germany. As a result of such aggressive war policy of the United States ruling circles the whole world is faced with a serious threat of war. But people of the whole world are opposed to war. We believe that if the peace-loving people of the whole world unite closely together, distinguish clearly between right and wrong and fight resolutely to uphold the truth, the frantic policy of the United States ruling circles will be defeated.

"LOVE PEACE ARDENTLY"

The Chinese people love peace ardently. They fervently hope that they will be able to construct their own country without being subject to aggression and threats of aggression. The Chinese Government has always advocated that all the present-day important problems of the world be solved by peaceful means, especially the problem of the Far East arising from the aggression against Taiwan and Korea by the United States ruling circles. Although the United Nations Security Council, under the manipulation of the United States ruling circles, rejected this time our basic proposal to solve the Far Eastern problem by peaceful means, we shall still do our utmost to find a peaceful solution to the Far Eastern problem. We are also willing to try to advise the Chinese volunteers to bring to an early conclusion the military operations which they have been forced to undertake together with the Korean People's Army in the resistance against the United States armed aggression.

Finally, we wish to avail ourselves of this opportunity to convey our greetings to the peace-loving people in England.

E.Reid/RH
December 7, 1950.

50056A-40
27 | 27

TOP SECRET

*Mr. Healey
for information*

MEMORANDUM FOR THE DEFENCE LIAISON DIVISION:

The strategic importance of Formosa.
Reference Chiefs of Staff Committee
Paper No. 37(50) dated 29 November 1950

UPGRADED TO SECRET
REDUCED A SECRET

One of the conclusions of the Chiefs of Staff Committee in Canada is that, from a military point of view, "Formosa, in the event of war with Communist China or the U.S.S.R. assisted by Communist China, is of limited strategic value". At the Attlee-Truman talks on December 5, General Marshall and General Bradley, according to Washington teletype No. 3149 of December 6, paragraph 9, stated that "to have Formosa pass into Communist hands would seriously weaken the United States position in the West Pacific".

2. If General Marshall and General Bradley are reported correctly, their views are very different from those of our own Chiefs of Staff.

3. The issue of Formosa may become one of the chief stumbling blocks in any negotiations that might take place with the Chinese Communists. Canada has been one of the foremost countries in proposing these negotiations and has specifically stated that the negotiations would probably have to include the question of Formosa.

4. Consequently it is of considerable importance that before we base any arguments we advance on the appreciation given us by our own Chiefs of Staff, we should do our best to ensure that the United States Chiefs of Staff have an opportunity to explain to us, if they want to, the reasons why they appear to agree with Mr. Asherson that to have Formosa pass into Communist hands would seriously weaken the United States position in the West Pacific.

5. I would therefore be grateful if you would ask the Chiefs of Staff Committee, as a matter of urgency, to follow this question up both with the United States Chiefs of Staff in Washington and with the United Kingdom Chiefs of Staff in London.



E.R.

Copy to Mr. Henry
Mr. [unclear]

FILE COPY

/E. Wilgress/jme/Am.& F.E. Div

CONFIDENTIAL

ew.

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

.....December 1,.....19 50..

No. Y-1577.....

Sir,

I enclose the document (s) listed below.

50056-A-40
27 | 18

I have the honour to be,

Sir,

The Canadian Permanent Delegate
to the United Nations.
NEW YORK

Your obedient servant,

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 2292 dated November 25, 1950, from the High Commissioner for Canada, London, England.</p> <p>Sent to:- WASHINGTON NO. <u>Y-3826</u> ✓</p>	<p>Reception of Peking delegation at London Airport.</p> <p>✓</p>

File copy

Am.&F.E./JJMcCardle/kb

FILE COPY

OTTAWA FILE

No.

SECURITY CLASSIFICATION

TOP SECRET

Y- 3837

50056-A-40
27-18

Despatch No.

November 30, 1950.

Date.....

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
The Canadian Ambassador, Washington, D.C.

TO:

Our telegram No. 2421 of November 28, 1950.

Reference:.....

The strategic importance of Formosa.

Subject:.....

Copy No. 56 of the Chiefs of Staff Committee Paper No. 37 (50) entitled "The Strategic Importance of Formosa" is enclosed for your information. A copy of this paper is also being forwarded to our Delegation in New York.

DOWNGRADED TO SECRET
REDUIT A SECRET

R. E. COLLINS

for Secretary of State
for External Affairs

Copies Referred

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FILE COPY

OTTAWA
No.

50056-A-40
27 18

Despatch No. **Y-1583**
 November 30, 1950.
 Date.....

SECURITY CLASSIFICATION
TOP SECRET

DOWNGRADED TO SECRET
 REDUIT A SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA
 The Canadian Permanent Delegate to the United Nations,
 TO: NEW YORK.
 Our telegram No. 350 of November 28, 1950.
 Reference:.....
 Subject: **The Strategic Importance of Formosa.**

Copy No. 55 of the Chiefs of Staff Committee Paper No. 37 (50) entitled "The Strategic Importance of Formosa" is enclosed for your information. A copy of this paper is also being forwarded to Embassy in Washington ~~our Delegation in New York.~~

J.M.

RE COLLINS

for Secretary of State for External Affairs.

Copies Referred To.....
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No. of Enclosures One
.....
Post File
No.

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE U.N. GENERAL
ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

CONFIDENTIAL

CYPHER - AUTO
NO. 524

NEW YORK, November 29, 1950.
(Rec'd: November 30, 1950.)

Original on 50069A-40.

50056-A-40
27 27

Confidential. Following from Holmes and Riddell, Begins:
Security Council meeting on Formosa and Korea.

You will no doubt have seen the full text of Austin's
and Wu's statements in Tuesday's Council meetings and in this
telegram will be included only certain impressions of
observers on the spot.

2. The early manoeuvring by Austin to secure first
place on the programme seemed unfortunate as it had no
apparent effect on Wu's statement and enabled Malik to
continue the policy the Soviet representatives have been
pursuing in the First Committee and the UNICEF Board to force
all of the representatives including Yugoslavia into position
of opposing the rights of the Peking representatives to state
their case. Austin's statement was, however, in spite of his
flat charge of Chinese aggression, less provocative than some
members had feared.

3. Wu's statement, although it included a good deal of
conventional Soviet phraseology, was on the whole an effective
outline of the situation as seen through Chinese eyes. It was
delivered, with great emphasis, in Chinese. Wu concentrated
his attention on Formosa and described American intervention
on the island as part of the long-range plan to dominate not
only China but all of Asia. He linked with this intervention
American development of Japan and Korea as bases for attack
on the Chinese People's Republic. His most effective argument
was his emphasis on the fact that the United States forces
had crossed 5,000 miles of ocean for operations off the coast

of China and in Korea which was separated from Chinese soil only by a narrow river. He cited a number of hypothetical situations to illustrate that the Americans themselves would be alarmed if other countries seized territory as close as this to American soil. To prove his point, he adopted the Soviet technique of quoting various spokesmen, but his spokesmen were better chosen. He quoted at length from the New York Times and, of course, made use of MacArthur's description of Formosa as an unsinkable aircraft carrier from which they could control Asian ports from Vladivostok to Singapore. In a brief reference to United States support of the French in Vietnam, he spoke of the encirclement of China and the determination of all Asian peoples to resist American imperialism. He said that the Asian people would yield neither to the enticement nor the threats of American imperialism and warned the United States that, although the Chinese loved peace, they were not afraid of a war of resistance.

4. Wu's references to Korea were less specific. He said that the Chinese could not stand idly by and implied that his Government would not be satisfied unless the Americans withdrew entirely from Korea. The only reference to Chinese intervention in Korea repeated the assertion that only volunteers were engaged, but he said that his Government saw no reason to prevent these volunteers from serving in Korea under the command of the Korean People's Democratic Republic. These comments, along with the emphasis on the threat to China by reason of American activities 5,000 miles from home, would suggest that Peking is not likely to be impressed at this stage by suggestions of a 10 or 50 mile demilitarized zone on the Manchurian frontier. It does not seem likely either that further public assurances of American good intentions would dispel the fears induced by American actions in Formosa, Japan and Korea. Wu emphasized that the

Chinese were impressed by deeds not words. If any negotiation is possible, it would seem from this statement that it would have to be an overall bargain from which Formosa could not be excluded.

5. It is significant that with the exception of a brief reference to the French in Vietnam, the entire attack was on the United States. The British were never mentioned, and Wu unlike the Russians referred always to American imperialism rather than Anglo-American imperialism. The United Kingdom was mentioned once as one of the countries which had recognized Peking. At one point, furthermore, Wu appealed to other countries not to pull American chestnuts out of the fire and warned them, if they did so, they would bear the consequences. He referred several times to the support given his Government in the United Nations by the Soviet Union, but otherwise did not mention that country.

6. As if to prove his orthodoxy, Wu concluded with an attack on Bebler's partisan chairmanship. This apparent afterthought seemed to be the only improvised portion of a statement which had probably been worked out long in advance. Ends.

CHAIRMAN

FILE COPY

A & F E Div./J.J.McCardle/ed

JK

Ext. 140

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 29, 1950

No.....

Sir,

I enclose the document (s) listed below.

50056.A-40
27 19

I have the honour to be,

Sir,

Your obedient servant,

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 350 to G.P.D.U.N., repeated to Washington EX-2421, dated Nov. 28, 1950</p> <p>Sent to the Following:</p> <p>LONDON - No. <u>Y-3645</u> ✓</p> <p>TOKYO - No. <u>Y-1080</u> ✓</p> <p>PARIS - No. <u>Y-1496</u> ✓</p> <p>THE HAGUE - No. <u>Y-631</u> ✓</p>	<p><u>Formosa</u></p> <p>CANBERRA - No. <u>Y-521</u> ✓</p> <p>WELLINGTON - No. <u>Y-423</u> ✓</p> <p>NEW DELHI - No. <u>Y-859</u> ✓</p> <p>KARACHI - No. <u>Y-560</u> ✓</p> <p>MOSCOW - No. <u>Y-628</u> ✓</p>

Mr. Healey

OFFICE OF THE UNDER-SECRETARY

Mr. Russell deserves
congratulations on
his performance.
Would it be
possible for you
to show this
to the President?
WV 25/50 JH

Refer - es for # 350 of Nov 25 to N.Y.

P.M. ✓

McClaston ✓

Mr Robertson ✓

Mr ^{AW} Richards Gill (P.M.'s office.) ✓

UN Div. -

Commonwealth Div. ✓

Defense Division ✓

Mr R. L. ... ✓

Mr Reid. ✓

European ✓

Mr Plumptre ✓

Press Office ✓

Int. Div. ✓

Copy sent FBI Div. ✓

~~London ✓~~

~~Amherst ✓~~

~~Moscow (for destruction) ✓~~

~~Tokyo ✓~~

~~Wellington ✓~~

~~Paris ✓~~

~~New Delhi ✓~~

~~The Hague ✓~~

~~Kanashi ✓~~

J.J. McARDLE

+ 5 copies

Done - ED

29/11/50

MESSAGE FORM
OUTGOING

50056-A-40
27 | 27

FILE REF.		

SECURITY CLASSIFICATION
S E C R E T

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS ASSEMBLY
NEW YORK. REPEAT TO CANADIAN EMBASSY, WASHINGTON

Message To Be Sent EN CLAIR CODE CYPHER AUTO XX Degree of Priority	No. Date November 28, 1950	For Communications Office Use Only SENT NOV 28 1950
ORIGINATOR E. Reid Sig. L.B. Pearson Typed: L.McI. Div. SSEA Local Tel. 5074 APPROVED BY Sig. <i>RM</i> Typed: Is This Message Likely To Be Published Yes () No () Internal Distribution: Done Date Copies Referred To:	New York No. <u>350</u> Washington No. <u>EX-2421</u> Following for Riddell, begins: 1. Your teletype No. 483 of November 24, repeated to Washington as No. 66. <u>Formosa</u> . 2. We have asked National Defence as a matter of urgency to give us their appreciation of the strategic importance of denying the use of Formosa to the Chinese Communists. As soon as we receive this appreciation we shall review our policy in the light of the military and political considerations. 3. Meantime, I assume that you are keeping in close touch with the Australian and Indian delegations, who share our views. 4. There are some preliminary comments of a general nature which I should like to make on the conclusion in sub-paragraph 3b of your teletype that the recent public exhibition in the General Assembly of the disunity of the West on Chinese issues afforded immense comfort to the Communists who would again be the only ones to benefit from further public humiliation of this kind, which we shall have if we are forced to debate publicly Far Eastern policies about which there are divided counsels. 5.	

28, 11, 22 (25)

5. I realize fully how difficult and embarrassing your position was during the debates last week on Chinese issues, and I want to take this opportunity to congratulate you on a fine performance. No one could have done a better job.

6. Any public exhibition of disunity will, of course, benefit the communists. But they would benefit as much, and possibly more, by a public demonstration of Western unity in defence of a bad cause. The gadarene swine made a most impressive public demonstration of unity of purpose and collective action.

7. In democratic countries, but not in Russia, there are every day public manifestations of lack of unity, public debates between advocates of conflicting policies. We pride ourselves on this distinction between our national societies and the Russian monolithic society.

8. I do not think, therefore, that we should be worried too much by occasional public manifestations of differences in the United Nations, though it is always worrying, of course, that the differences do in fact exist. We must always do our utmost to reach agreement in advance of public debate, on a policy which we all honestly believe to be the best in the circumstances. But if we are unable to do this, then there may be occasions when we cannot, or indeed should not, avoid public debate. From the Canadian point of view, such debate will certainly remove the impression that we are satellites of the United States, and that all the United States has to do in the United Nations on an issue which it considers

important

important is to crack its whip and roll up a huge mechanical majority in the General Assembly.

9. This would bring the General Assembly into disrepute. It would lead to the spreading in the United States of the dangerous delusion that the United Nations can always be counted on to underwrite United States policy. Every member of the United Nations, large or small, must realize that it cannot always have its way in the United Nations.

10. I am not, of course, suggesting that we differ from the United States publicly on a matter which they consider of first class importance, merely for the sake of differing. I believe, however, that there may well be occasions in the future, as in the past, when we will have to express our differences with United States policy in the United Nations and elsewhere, though always seeking beforehand a solution which will make unnecessary such expression. It may be that Formosa will provide such an occasion, in spite of our best endeavour to avoid it.

SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

RECEIVED
COMMUNICATIONS
GENERAL AFFAIRS

1950 NOV 28 AM 11:47

SECRETARY OF STATE FOR EXTERNAL AFFAIRS

best endeavor to solve it.
However will provide such an occasion, in spite of our
make unnecessarily such expression. It may be that
proper always seeking beforehand a solution which will
United States policy in the United Nations and elsewhere,
best, when we will have to express our differences with
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for the sake of efficiency. I believe, however, that
which they consider of that class importance, merely
offer from the United States directly on a matter
to. I am not, of course, suggesting that we
always have the way in the United Nations.
Nations, large or small, must realize that it cannot
United States policy. Every member of the United
United Nations can always be counted on to underwrite
United States of the dangerous delusion that the
disruptive. It would lead to the spreading in the
d. This would bring the General Assembly into
mechanical majority in the General Assembly.
important is to crack the whip and roll up a page

MESSAGE FORM OUTGOING

FILE REF.	

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CHAIRMAN, CANADIAN DELEGATION TO UNITED NATIONS GENERAL ASSEMBLY,
NEW YORK

REPEAT TO: CANADIAN AMBASSADOR, WASHINGTON, D.C.

50056-A-40
27 27
SEN NOV 27 1950

Message To Be Sent

EN CLAIR

CODE

CYPHER

Degree of Priority

ORIGINATOR

Sig.

Typed: R.E. Collins/
MCC

Div. Am.&F.E.

Local Tel. 2991

APPROVED BY

Sig. *R.E. Collins*

Typed:

Is This Message
Likely To Be Published

Yes () No ()

Internal Distribution:

Done

ate

Copies Referred To:

No.

Date November 25, 1950

For Communications Office Use Only

Addressed, New York No. 345 ✓

Repeated, Washington No. (by teletype)
Ex - 2410 ✓

Your telegram 483 of November 24. Formosa.

We are undertaking a review of the strategic
significance of Formosa. *This* will probably not
be ready before Wednesday of next week.

NOV 27 11:20

RECEIVED
NOV 27 1950

File Copy

Am.&FE/JJMcCardle/kb

Ottawa, November 27, 1950.

Heads of Divisions Meeting.

50056-A-170
27 27

Chinese Communist Delegation to United Nations

The Peking Delegation arrived in the United States on November 24. Its initial statement expressed the hope that its charge of United States' "armed aggression against Taiwan (Formosa)" would receive "just treatment" in the Security Council. The statement went on "a profound friendship has always existed between the Chinese people and the American people. I wish to avail myself of this opportunity to convey my greetings to the peace-loving people in the United States".

2. The Political Committee^{on Nov 25} adopted a Soviet resolution inviting the Peking Government to be represented at the Committee's discussion of the item "complaint by the U.S.S.R. regarding aggression against China by the United States". (Thirty in favour including Canada, eight against, and twenty-two abstentions including the United States.) A further Soviet suggestion that discussion on the item be postponed until today was accepted after a lengthy wrangle. In supporting the Soviet resolution, the Canadian delegation disassociated itself from Mr. Malik's interpretation that the appearance of the Peking representatives implied acceptance of the Soviet thesis on Chinese representation in the United Nations.

3. The Peking Delegation will, therefore, appear today before the Security Council and the Assembly. The item appears on the agenda of both. The original invitation for a Communist Chinese delegation was extended by the Security Council and the resolution noted above brings the Delegation before the Assembly. RESTRICTED.

American and Far Eastern Division.

FILE COPY

Am.&F.E.Div./J.J.McCardle/ed

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oh

Ext. 140

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 25, 19 50

No.....

Sir,

I enclose the document (s) listed below.

50056-A/40
27 | 18

I have the honour to be,

Sir,

Your obedient servant,

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT

SUBJECT

No. 485
Telegram from the Chairman, Can.
Delegation to the U.N.Gen. Assembly
dated Nov. 24, 1950

Formosa.

Sent to the following:

- LONDON - No. Y-3576 ✓
- TOKYO - No. Y-1054 ✓
- CANBERRA - No. Y-511 ✓
- NEW DELHI - No. Y-833 ✓

ORIGINAL AND FILE COPY

FROM: THE HIGH COMMISSIONER FOR CANADA, LONDON, ENGLAND
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S.

50056-A-40
271.27

CYPHER - AUTO

CONFIDENTIAL

NO. 2292

LONDON, November 25, 1950.
(Rec'd. November 29, 1950.)

Report to

*U.S.S.E.A
Defense Liaison
U.N. Sec.
Chief of Staff etc
C.P.D.U.N.
Sec. to the Cabinet
Washington
Done J.M.
Dec 4/50
E. W. Jones*

Confidential. Reception of Peking delegation at London Airport.

1. Franklin of the Foreign Office Far Eastern Department, who was with R. H. Scott, described the encounter as follows. The plane from Prague landed at 4 p.m. and the delegation were greeted by Smith of the United Nations Office. Smith introduced the Foreign Office representatives and the party moved to an air-shed. Scott offered any assistance that the Foreign Office could give. The delegates replied that the time was too short. They were courteous but formal. This conversation took about five minutes. The plane for New York left at 6.30 p.m.

2. According to one press correspondent, the United Nations and Foreign Office officials also drove from Northolt Airport to London Airport, arriving there at 5.05 p.m. and saying their farewells to the delegation at 6.00 p.m.

HIGH COMMISSIONER

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1950 NOV 24 AM 11 35

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE U.N. GENERAL ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

S E C R E T

IMPORTANT

NEW YORK, November 25, 1950.

CYPHEE - AUTO

NO. 491

50056-A-170
27 27

Original on 50057-40

Secret. Addressed External No. 491, repeated Beaver No. 67.

Your telegram No. 331 of November 22nd. Formosa and Japanese peace treaty.

Holmes and I saw Allison and Raynor of the State Department today and discussed with them a number of matters concerning Far Eastern policy, including the question raised in your telegram under reference.

2. In regard to the question of Japanese Peace Treaty, Allison was quite categorical in stating that it is the intention of the State Department to proceed with these negotiations, and that they expect results. They did not, of course, expect there to be a conference, nor did they now have much hope of securing Soviet co-operation. But they did expect to conclude a treaty or treaties. I mentioned to them Mickerson's twice-made assertion that there wasn't going to be a Japanese peace treaty and the circumstances in which he had made it, to which they replied that Mickerson didn't know what he was talking about, a remark which they subsequently modified to a more polite assumption that there had been a misunderstanding.

3. Allison said that United States memorandum on Japanese peace treaty, copy of which was given to us, had now been shown to the Soviet Government. They had received Malik's reply, which consisted of a series of questions, to which answers in writing were requested. The value of these questions seemed to indicate

that U.S.S.R. had no intention of co-operating in negotiations for peace treaty and intended to use occasion simply for propaganda. This view was confirmed by the fact that text of Soviet reply had now been published in Moscow. Text of Soviet reply appears in New York Times of November 25th and Allison has promised to give us a copy of United States answer to Malik's questions when they had been prepared.

4. In regard to Formosa, Allison said the basis of their present policy lay partly in military strategy, partly in consideration of domestic politics. As far as strategy was concerned, he said that United States military did not expect a war with China, and certainly did not ^{want} one, but they were not positive that they could avoid one. In these circumstances, and with so much of their available military force tied up in Korea, they could not afford to let the island pass into Communist hands. There was moreover, considerable military strength on the island which would be useful in event of trouble. Allison also repeated the information we have received previously from the State Department that Communist control of the mainland was by no means generally established and added that recent troop movements Northward have been followed by anti-Communist disturbances in the South. To the comment that a situation had arisen in which danger of war was increased by denying Formosa to the Communists and, at the same time, the island was denied to the Communists because of increasing danger of war, Allison said that they were fully aware of this dilemma. They were also prepared in due course to try to escape from it by making concessions to the Chinese Communists. They could not, however, do so until they were sufficiently strong in the Far East to prevent there being any danger of their concessions being interpreted as a sign of weakness.

5. The other consideration Allison mentioned in regard to Formosa was domestic. In language that had a very familiar sound to Holmes and myself, he said that policy had to be determined by necessity of maintaining unity of country during period of

emergency. There was no subject which could more easily divide the United States than Far Eastern policy and public opinion at the moment simply would not tolerate loss of Formosa to the Communists.

6. We then asked them whether, assuming they were right in this analysis, they did not have some concern over referring matter to United Nations because of divisions amongst Western Powers that would thereby be revealed and also because of possibility that they would be saddled with some quite unworkable recommendation. Allison said that he personally was convinced that for both these reasons item should be dropped or allowed to stand over until next year. Final decision in this regard had not yet been taken, and there were obviously some difficulties. He himself hoped, however, that United States Government would not press for discussion of item during present session.

CHAIRMAN

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S.

IMPORTANT

CYPHER - AUTO

S E C R E T

NEW YORK, November 24, 1950.

NO. 483

50056-A-140
27 | 27

Ref: Minister ✓
Asst. Sec. - London
Am. Aid. - Tokyo
Secy to Ch. - Canberra
New Delhi
Secy C.O.S.
Dis. -
Un. Div. -
Def. Div. -
Done - E.H.
25/11/50

To see
Carleton
Att

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NOV 24 1950

Secret. Addressed External Ottawa No. 483. Repeated
Beaver Washington No. 66.

Following from Riddell, Begins:
Formosa.

1. Statement regarding Formosa given by Rusk to
Mr. Wrong and reported in Washington's telegram No. 57 to
New York and WA-3024 to Ottawa of November 22nd is fullest
and most coherent account we have yet received of United
States policy on this subject. Rusk makes it explicit that
strategic importance of denying use of island to Communists
outweighs, in United States view, any other consideration.
This frank and unequivocal statement is immensely more
helpful than Hickerson's unconvincing confidences to the
effect that United States was prepared "to take the skeletons
out of the cupboard" and state that it now believes that
wishes of inhabitants of Formosa must be consulted, and that
United States is prepared to concur in anything those
inhabitants decided upon, including return to China.

2. Rusk's argument may influence our judgment that
it is unwise to proceed in the United Nations with a course
of action which will entail a United Nations commitment to
defend Formosa. It seems to me, incidentally, that such a
commitment will be established whether a Commission is set
up or a reference made to the Interim Committee. I wonder,
therefore, whether, before we proceed further in discussing

with other delegations our attitude towards United States proposals, or in developing our opposition to them, we should not review our policy in the light of Rusk's argument. If it is correct that security in the far east now makes it essential to deny use of the island to Communist Chinese, then we should possibly alter our position. If, alternatively, we continue to oppose the United States proposals, we should I think be quite sure either that we do not concur in United States estimate of strategic importance of island, or alternatively that we consider United States motives in regard to Formosa to have some other origin, such, perhaps, as unwillingness in the face of domestic criticism, to permit further advances to Communist Chinese.

3. With the possibility of some such review of policy in mind, I should like to make this following comment on Rusk's views as expressed in paragraph 2 of Mr. Wrong's telegram under reference:

(a) We have been assuming, I think, that in the long run accommodation with the new Chinese Government was the most important objective, from both the political and strategic point of view, and that with this end in view, we should, even while accepting a good deal of abuse from Peiping, try to remove or reduce situations which might lead them to believe that they had more to fear from the West than from Moscow. Accommodation with Peiping will never be possible if Formosa is denied to them, or neutralized without their consent. A year ago the defence of Formosa did not seem to figure in United States strategic plans. Are we to assume now that events in Korea and the more menacing aspect of the Chinese Communists make it essential to secure Formosa for strategic reasons, even at the cost of postponing indefinitely any possibility of accommodation with Peiping?

(b) Rusk's statement that they are anxious to prevent the disposition of the island becoming a serious issue between friends seems to me to point, not to Rusk's conclusion that Formosa should be "injected into the United Nations forum", but to exactly the contrary conclusion. The debate on Tsiang's complaint of Soviet aggression which has just concluded is a painful demonstration of the disarray into which the Western Allies fall when they are forced to discuss Chinese policy publicly. It evoked one of the most irritable and indignant speeches I have ever heard from Berendson, who castigated, in the full sense of that term, his fellow Commonwealth delegates for breaking with the United States and choosing strange Communist bedfellows. It enabled Tsiang to observe that Western Europe, in the spirit of appeasement, had sided with Eastern Europe, and that only the United States and Latin America remained faithful to freedom. It gave Dulles the occasion to describe those of us who did not support him as craven and it moved unnumberable Latin Americans to beat their breasts and denounce us for betraying sacred principles which they were prepared to defend to the last United Nations Commissioner. It afforded immense comfort to the Communists, who it seems to me will again be the only ones to benefit from further public humiliation of this kind, which we shall certainly have if we are forced to debate publicly Far Eastern policies about which there are divided counsels.

(c) I am not sure what Rusk means by the statement report in paragraph 2 (c).

4. If it is possible to draw any conclusions from my observations, they seem to be the following:

(a) We should consider whether or not we concur in what appears now to be the United States opinion that it is essential, for strategic reasons, to deny Formosa to the Communists.

(b) If we do concur, we should consider whether the proposed action through United Nations is the least harmful way of achieving that object.

5. I shall await further instructions before proceeding as directed in telegram No. 433 of November 18th. Ends.

CHAIRMAN

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1950 NOV 15 PM 4:46

File copy

Am.&F.E./R.E.Collins/MCC

WRC

SECRET

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 24, 19 50

No. Y-3574

Sir,

I enclose the document (s) listed below.

50056-A 40
27 | 18

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner for
Canada,

London, England.

A.D.P. HEENEY

Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 479 of November 23, 1950 from the Chairman, Canadian Delegation to U.N. General Assembly, New York.</p>	<p>China</p>

File copy

mc

Am.&F.E./R.E.Collins/MCC

SECRET

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 24, 19 50.

No. Y-3573-1

Sir,

I enclose the document (s) listed below.

50056.A-40
27 | 18

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner for Canada,
London, England.

A.D.P. HEENEY

Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 480 of November 23, 1950 from the Chairman, Canadian Delegation to U.N. General Assembly, New York.</p>	<p>China.</p>

File copy

Am.&F.E./E.Wilgress/MCC

Ext. 140

Eul

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 24, 19 50

No. Y-3572 ✓

Sir,

I enclose the document (s) listed below.

50056-A/40
27/18

I have the honour to be,

The High Commissioner for Canada,
London, England.

Sir,

Your obedient servant,

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Telegram No. WA-3024 of November 22, 1950 from the Canadian Ambassador, Washington, D.C.	Formosa
SIMILAR TO:	
New Delhi No. <u>Y-831</u> ✓	
Tokyo No. <u>Y-1052</u> ✓	
Canberra No. <u>Y-510</u> ✓	

~~to Canada~~
Wilson
file

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE U.N. GENERAL ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

S E C R E T

IMPORTANT

NEW YORK, November 23, 1950.

CYPHER - AUTO

NO. 480

50056-A-480
27 27

Secret. Addressed External No. 480, addressed Washington No. 65.

Reference my immediately preceding teletype No. 479. Following is text of paragraph referring to Dulles's statement. Begins:

2. The representative of the United States also said this morning that if the Committee opposes the establishment of a Special Commission or alternatively fails to refer the item to the Interim Committee, the man in the street would assume that we did not wish to press charges against a Great Power. I listened this afternoon to the explanation which he gave of this remark. The delegation of the United States has brought to the agenda of this Committee on many occasions items which were bitterly opposed by one of the Great Powers. I am quite sure that the record of this Committee in regard to these and other items is such that ^{no} reasonable man in the street could possibly assume that any significant number of members of this Committee are unwilling to persevere in the discussion of a question merely because a Great Power is involved. Ends.

CHAIRMAN

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT
CYPHER -- AUTO
NO. 479

50056-A-140
27 | 27
SECRET

NEW YORK, November 23, 1950.

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S

*Done - mee
Nov 24/50*

*Minister
USSEA
Secy Cabinet
UN Sec
European Dir
Commonwealth Dir
London
Phil*

Secret. Addressed External No. 479, addressed Washington No. 64. Following from Riddell, Begins: Chinese item.

2. Late Tuesday and early Wednesday, in consultation with the United Kingdom, Australian and Indian delegations, we made a canvass of other delegations and found that surprising number were prepared to act together to oppose establishing a Special Commission on the Chinese charges or even referring them to the Interim Committee. Younger and Keith Officer both spoke in this sense early in Wednesday morning's meeting and were supported by several other delegations.

3. In the meantime, however, United States delegation had confirmed its support for Chinese proposal or alternatively for suggestion that question be referred to Interim Committee. Before meeting on Wednesday, Dulles spoke to me and asked that we should refrain from submitting any alternative resolution and that we should not obstruct some action being taken on the Chinese request for further investigation. At the end of the meeting on Wednesday morning he made a brief but strong statement in the course of which he said that those who opposed further investigation were motivated by unwillingness to press charges against a Great Power. He developed this view at some length but his allegation was summarized in the following sentence:

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NOV 24 1950

"The question really is: if we bury it, we will bury it because we are afraid that by looking into this matter we will annoy or aggravate one of the so-called Great Powers."

4. Both Keith Officer and I spoke to Dulles immediately after meeting and said that motives which he had attributed to delegations which did not support his position were discreditable. Officer said that he deeply resented this interpretation of a position which he had taken. I remarked that there were many occasions in United Nations when delegations like ours had supported, voted for and sometimes initiated actions which were disliked by the Soviet Union, and that I did not see how we could leave on the record a suggestion that we were afraid to support his position because we were unwilling to annoy the U.S.S.R. Dulles, who didn't seem to understand what I was talking about subsequently said that he would try to make amends, but a brief statement he made at the opening of the afternoon meeting, was not very helpful. Consequently, after consultation with Mr. Lapointe, I inserted a reference to Mr. Dulles' remarks into a short statement I made in the afternoon. Text of the paragraph referring to Mr. Dulles statement is given in my immediately following teletype. Full text of statement will follow by bag.

5. Incident is of importance only as evidence of sensitivity of United States delegation to any opposition to their Chinese policy, and to constant danger that underlying differences on Chinese policies which divide Western States will find disconcerting public expression. This morning (Thursday) for example, Tsiang, in a speech designed to play upon these differences, has compared Dulles to Stimson and has characterized the United Kingdom and France as

"appeasers". Ends.

CHAIRMAN

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1950 NOV 24 AM 9:18

WRC

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

SECRET

No. Y-3529 November 23, 1950.

50056-A-40
27 | 27

Sir,

I enclose the document (s) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner for Canada,
Canada House,
London, S.W.1. ✓

A.D.P. HEENEY

for the
Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Secret telegram No. 450 of November 21, 1950., from the Chairman, Canadian Delegation to the United Nations General Assembly, New York.</p> <p>Similar to: Tokyo No. <u>Y-1046</u> ✓</p>	<p>Formosa.</p>

J. J. McCardle/jme
Am. & F. E. Division

Ext. 140

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

.....November 23,..... 19. 50.

No. Y-3528.

Sir,

I enclose the document (s) listed below.

50056A-40
27 | 27

I have the honour to be,

Sir,

✓
The High Commissioner for Canada
LONDON, England.

Your obedient servant,

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 433 dated November 18, 1950, from the Chairman, Canadian Delegation to the United Nations General Assembly, New York.</p> <p>Tokyo No. <u>Y-1047</u> ✓</p>	<p>Formosa</p>

ORIGINAL & FILE COPY

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S.

CYPHER - AUTO
WA-3024

S E C R E T

WASHINGTON, November 22, 1950.

50056-4-100
27 | 27

4 to sec
~~Mr. Tolson~~

Refer to
✓ U.S. S. E. A
✓ Mr. Reid
✓ Def. Liaison
✓ U. N. Div
✓ Sec. to the Cabinet
✓ Sec. C. O. S.
✓ S. I. S.

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Secret. Addressed Candel No. 57, repeated External as WA-3024.

Your telegram No. 57, Formosa.

1. I have discussed with Dean Rusk today the arguments for postponing the Assembly resolution on Formosa. Rusk said that this matter was being given consideration and he seemed to think that it was quite likely that the United States would agree to postponement until the next session or to reference by the Assembly to the Interim Committee. He asked me to make it clear to you that postponement was not, in his view, any step to the solution of the Formosa problem and also that it would involve the continued use of the Seventh Fleet, to prevent hostilities between Formosa and the Mainland, for an indefinite period.

2. He said that there were three main purposes towards the Formosa issue in the current United States policy:

(a) Formosa should not pass into hostile hands. The United States has the major responsibility for maintaining security in the Far East and in the event of war would have by far the largest military commitment there. The substantial non-Communist resources on the island, both in manpower and in other respects, could not be handed over

NOV 23 1950

London
New Delhi
✓ Tokyo
✓ Canberra
~~Washington~~
✓ ~~London~~
✓ ~~London~~
✓ ~~London~~

Done
K.B.
25/11/50

to Peking at a time of great tension.

(b) They were anxious to prevent the disposition of the island becoming a serious issue between friends whose policies were already divergent on Far Eastern questions. Therefore they favoured injecting it into the United Nations Forum, where it might be discussed in the usual manner for perhaps two or three years, after which the situation should be clearer and the policies of the democratic countries less divergent.

(c) No steps should be taken at the present time which would have the effect of injecting Formosa as a possible issue leading to war.

3. In illustrating these points he made a number of comments. He asked me whether the Canadian Government supported the immediate application of the Cairo Declaration. When I said that we believed that the Cairo Declaration should be observed as requiring that Formosa should become part of China rather than an independent or trusteeship territory, he asked whether that meant that we supported immediate recognition of the authority of the Peking Government over Formosa. I said that we were making no such suggestion, but that our present concern was that the United Nations might by implication be saddled with responsibility for enforcing a recommendation on the future of Formosa if the resolution before the Assembly were adopted. He made it clear that the settled policy here is not to accept the Cairo Declaration as a binding obligation in present circumstances.

4. He also said that the movements of Communist forces on the Mainland seemed to indicate that there was no early intention to deliver an attack on Formosa.

CANADIAN AMBASSADOR

OFFICE OF
COMMUNICATIONS
EXTERNAL AFFAIRS

1957 NOV 23 AM 11:17

ORIGINAL AND FILE COPY.

FROM: THE CANADIAN AMBASSADOR, TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

UNCLASSIFIED

EN CLAIR

WASHINGTON, November 22, 1950.

WA-3019

50056-A-40
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The Minister
Miss PA
Mr. Pitou
Secy to Cabinet
UN DTC
UN Div
Dep Liaison
Legal Div
IS
McCord
DeWag

Unclassified. Addressed External as WA-3019, repeated Candel as CA-56.

In the issue of Newsweek dated November 23rd there is an article dealing with Far Eastern questions which includes the paragraph quoted below. We learned that the information in this paragraph came from the Washington Bureau of Newsweek. It certainly did not come from this Mission.

Extract begins:

The Canadian Government has urged the United States, in a long memorandum submitted last week, to abandon its officially announced policy of achieving a settlement of the Formosa problem through the United Nations. The Canadians argued that the American proposals served as an irritant to the Chinese and confirmed suspicions of American aggressive intentions. To clinch their argument, the Canadians asked in effect: "Suppose the United Nations ultimately decides to restore Formosa to the Peking regime - what on earth are you going to do with Chiang?"
Ends.

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NO. 22 1950

CANADIAN AMBASSADOR

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1957 NOV 22 PM 4:01

MESSAGE FORM
OUTGOING

FILE REF.	
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50056-A-120
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SECURITY CLASSIFICATION
SECRET

~~DUPLICATE~~

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CHAIRMAN, CANADIAN DELEGATION TO UNITED NATIONS GENERAL ASSEMBLY,
NEW YORK.

REPEAT TO: CANADIAN AMBASSADOR, WASHINGTON. *Original on 50057-40*

Message To Be Sent EN CLAIR CODE CYPHER <input checked="" type="checkbox"/>	No. Date November 22, 1950	For Communications Office Use Only SENT -- NOV 22 1950
Degree of Priority	Addressed, New York No. <i>336</i> SENT -- NOV 22 1950 Repeated, Washington No. <i>ET-2384</i>	
ORIGINATOR Sig. Typed: <i>R.E. Collins/</i> <i>Am. & F.E. MCC</i> Div. <i>Am. & F.E.</i> Local Tel. <i>2991</i>	Following for RIDDELL from HEBNEY, Begins: Japanese Peace Treaty. 1. We were somewhat surprised by Hickerson's remark, as reported in Candel No. 447 of November 21, that we are not going to get the Japanese Peace Treaty. I should be grateful if you would check with Allison of the United States Delegation to find out what, if anything, is behind this statement. Ends.	
APPROVED BY Sig. <i>R.E. COLLINS</i> Typed: Is This Message Likely To Be Published Yes () No ()	Internal Distribution:	
Done Date Copies Referred To:	Done Date Copies Referred To:	

FILE R.E. COLLINS/RD A. & F.E.

ML

~~SECRET~~

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

No. November 22 19 50.

5-0056-A-50
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Sir,
I enclose the document (s) listed below.

I have the honour to be,
Sir,
Your obedient servant,

A.D.P. HEENEY

For Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT

SUBJECT

Copy of telegram No. 409 from New York, November 16.

Porosna.

London No. Y-3508 ✓
Canberra No. Y-505 ✓
New Delhi No. Y-813 ✓
Tokyo No. Y-1040 ✓

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT

SECRET

file

CYPHER - AUTO

NO. 450

NEW YORK, November 21, 1950.

MINISTER
UNDR/SEC
D/UNDR/SEC
A/UNDR/SEC'S

*Refer. USSIA ✓
Mr. Reed ✓
Tokyo ✓
23/11/50*

50056-A-140
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*Refer
Secy of Cabinet
UN Dir
Royal Dir
Dep. Liaison
JIS
London
McAllister*

*Done
KB
23/11/50*

Secret. Addressed External Ottawa No. 450, repeated
reaver Washington No. 61.

Formosa.

1. The United Kingdom delegation reported to us yesterday that there had been no recent developments as far as they were concerned. Their estimate of the position, however, was that if the item was dealt with at all at this session, the United States might demand a substantial stiffening of their resolution (in an anti-Peking direction). There had as yet been no change in their instructions. These instructions would, in their present form, allow the United Kingdom delegation to support the United States resolution, preferably with the omission of the third paragraph. They did not wish to serve on the Commission and saw considerable disadvantage in great Power membership, particularly that of the United States. The United States had hinted, however, that they would wish to be on the Commission, even if the United Kingdom were not. The United Kingdom attached great importance to India being a member, but they feared that this now seems unlikely. The United Kingdom delegation have had no instructions since the First Committee's decision to postpone this item to the end of the session.

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NOV 21 1950

CHAIRMAN

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED
NATIONS GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

EXTERNAL AFFAIRS RECORDS

File No. 50056-A-40

IMPORTANT

CYPHER - AUTO

NO. 447

SECRET 7A 7A

NEW YORK, November 21, 1950.

*Original on 5475-DW-4-40
Vfl*

Secret. Addressed External Ottawa No. 447, repeated
Washington No. 59.

Subject: Chinese issues in the United Nations.

Yesterday afternoon, I discussed with Hickerson
several aspects of Chinese questions in the United
Nations.

2. When I referred to the postponement of
appointment of a Sub-Committee to consider Chinese
representation, Hickerson asked me if we were changing
our minds in the direction of accepting representatives
of Peking in the United Nations. I said that I had, at
the beginning of the session, personally thought that we
should accept Peking, but I recognized that recent
developments made this difficult. Hickerson seemed
surprised that acceptance of Peking could even be
contemplated after their intervention in Korea and in
Tibet. I said that I did not think the question of
Tibet was so serious an obstacle, but that the situation
in Korea would have to be cleared up first. If it could
be established that the Chinese objectives in Korea were
limited, then the situation would change again. I
emphasized the importance of establishing contact with
Peking in order to make our objective clear to them.
At the present time, they received their information
through Soviet sources. I did not think that the

delegation which was coming to Lake Success would be adequate for this purpose; they would probably have strict instructions and little freedom for manoeuvre. Hickerson was not so sure that Korean questions could not be discussed with the Peking delegation. On the subject of establishing contact, he pointed out that the Frontier Committee of UNCURK was anxious to establish contact and it was an appropriate body to do so. When I suggested the possibility of Katzin or some other member of Lie's staff going to Peking, Hickerson said that he saw no objection to that.

3. I asked Hickerson if there was any chance of postponing indefinitely the raising of the Formosa question in the Assembly. The First Committee was approaching the end of its agenda and we would not adequately consider so important a question in the last days of the Assembly. Hickerson said that from the American point of view this question could not be postponed. The Assembly was the proper place for discussion of the subject. When I mentioned the possibility of leaving the matter to be considered in the Japanese Peace Treaty, he said emphatically that we were not going to get the Japanese Peace Treaty. He did admit, however, the possibility of discussing the matter in the Assembly and turning it over to the Interim Committee for further consideration. He said that he personally was considering the possibility of the United States making a statement in which they gave a frank and truthful explanation of the problem. They would point out that the people of Formosa must be allowed to express their wishes. They would say that although the return of Formosa to China had been agreed upon, this was a wartime decision and the situation had

altered. The Formosa people should be allowed freely to decide whether they wished to be independent, accept a trusteeship or join Communist China. I said that none of the solutions he had proposed removed our basic objection, which was that so long as the subject of Formosa was under consideration in the United Nations or being considered by a Commission of the United Nations, there was an implied obligation upon the United Nations to preserve the status quo. If there was an attack on Formosa from the mainland during this period, we would be expected to defend it. For our part, we did not want any commitment with regard to Formosa beyond that contained in the President's declaration of neutralization during the period of hostilities in Korea. Hickerson talked about United States blood having been shed during the past war because of the use by an enemy of Formosa as a base and said that they hoped, therefore, that Formosa could be neutralized, either under the United Nations or even under the Communist regime.

CHAIRMAN

MESSAGE FORM
OUTGOING

FILE REF.

SECURITY CLASSIFICATION

SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CHAIRMAN, CANADIAN DELEGATION TO UNITED NATIONS GENERAL ASSEMBLY,
NEW YORK.

REPEAT TO: CANADIAN AMBASSADOR, WASHINGTON.

50056-A-40
27/18
For Communications Office Use Only
SENT -- NOV 21 1950Message To Be Sent
EN CLAIR
CODE
CYPHER

No. Date November 21, 1950

Degree of Priority

IMMEDIATE *MR.*Addressed, New York No. 326 SENT -- NOV 21 1950Repeated, Washington No. EX-2374
*by telephone to
without priority*

ORIGINATOR

Sig.

Typed R.E. Collins/
MCC

Div. Am. & F.E.

Local Tel. 2991

APPROVED BY

Sig.

Typed: *MR.*Is This Message
Likely To Be Published

Yes () No ()

Internal Distribution:

*USSEA ✓
Secy to Cabinet ✓
UN Div ✓
Legal Div ✓
Dep. Liaison ✓
MDHQ ✓
J. M. ...*Done *J. M. ...*

Date NOV 23 1950

Copies Referred To:

*London
Tokyo
New Delhi
Karachi
Canterra*

Done

Date

49-P-274-100M

Following for RIDDELL from the Under-Secretary,

Begins:

Formosa.

Your telegram No. 433 of November 18.

1. Since our chief objection to the proposed draft resolution on Formosa stems from our apprehension lest it saddle the United Nations with an indefinite responsibility for the neutralization of Formosa and possibly for its future disposition under conditions making it difficult if not impossible for the United Nations to implement an Assembly recommendation, our aims would best be served if this item could either be dropped from the agenda or shelved until the next Assembly.
2. In the light of the information contained in paragraph 1 of your 433, it appears unlikely that the United States would be willing to modify the draft resolution to meet our point of view. They might, however, be willing to agree that Formosa should not be discussed at this session, since they are not assured of full support from friendly governments and since there might be an advantage from their standpoint in retaining ~~complete~~ freedom of action with respect to Formosa during the present crisis.

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MESSAGE FORM OUTGOING

FILE REF.		

SECURITY CLASSIFICATION

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO:

Message To Be Sent	No.	Date	For Communications Office Use Only
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EN CLAIR	<input type="checkbox"/>
CODE	<input type="checkbox"/>
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- 2 -

Degree of Priority

ORIGINATOR

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Typed:

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APPROVED BY

Sig.

Typed:

Is This Message Likely To Be Published

Yes () No ()

Internal Distribution:

Done

Date

Copies Referred To:

Done

Date

3. We should therefore encourage postponement in private discussions with the United States delegation, and the cooperation of the Indian and Australian delegations in this respect would strengthen our hand. At the same time, the combined ~~opposition~~ of Canada, Australia and India would help to offset the pressure within the United States delegation (and on the United States Administration) from Republican quarters for a stronger resolution than that now contemplated. In any event, it would appear appropriate to consult with the Indian and Australian delegations throughout on the tactics to be pursued.

4. Another important argument in favour of postponement is the desirability of leaving the way as open as possible for private discussions with the Chinese Communist representatives, when they arrive at Lake Success, on the three subjects which they will undoubtedly consider should be dealt with together, namely Formosa, Korea and Chinese representation in the United Nations.

5. In the event that the United States will not agree to an indefinite postponement of the Formosa issue, we shall have to decide what our public stand should be. This, however, is a bridge which we shall be in a better

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MESSAGE FORM OUTGOING

FILE REF.		

SECURITY CLASSIFICATION

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO:

Message To Be Sent	No.	Date	For Communications Office Use Only
EN CLAIR			
CODE			
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- 3 -

Degree of Priority

ORIGINATOR

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Typed:

Div.

Local Tel.

APPROVED BY

Sig.

Typed:

Is This Message
Likely To Be Published

Yes () No ()

Internal Distribution:

Done

Date

Copies Referred To:

position to cross when we are closer to it. Meanwhile, consideration is being given to the draft statement contained in your telegram 409 of November 16. It may be that the Minister will wish to ask Cabinet ^{on November 29} to discuss the problem of how far we should go in publicly opposing the United States over Formosa in Assembly debate ~~at the meeting on November 29.~~

6. Since drafting the above, we have received a copy of the Minister's telegram No. 57 of November 20 to Washington, ~~and thoroughly concur in the suggestions which he has made.~~ Ends.

NOV 29 11:11

RECEIVED
EX-100

Done

Date

File copy

Am. & F.E.Div./JJMcCardle/kb

Ext. 140

Handwritten initials

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

~~SECRET~~

November 21, 1950.

19.....

No. Y-3486

Sir,

I enclose the document (s) listed below.

50056-A/40
27 | 27

I have the honour to be,

Sir,

The High Commissioner for Canada,
Canada House,
London, S.W.1.

Your obedient servant,

A:DP. HEENEY

for the

Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT

SUBJECT

Telegrams Nos. 445 and 446 of November 20, 1950, from the Chairman, Canadian Delegation to the United Nations General Assembly, New York to the Secretary of State for External Affairs, Ottawa.

Formosa.

- Similar sent to: Tokyo No. Y-1034 ✓
- New Delhi No. Y-808 ✓
- Karachi No. Y-537 ✓
- Canberra No. Y-502 ✓

FILE COPY

A&F.E.Div./J.J.McCardle/ed

Ext. 140

JJM

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

SECRET

November 20, 1950.

No. Y-3480

Sir,

I enclose the document (s) listed below.

50056-A-40
97 27

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner
for Canada,
LONDON, England

A.D.P. HEENEY

for the Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Telegram No. 255 of November 18, 1950, from New Delhi</p> <p>Also sent to the following:</p>	<p>Korea + <u>Formosa</u></p>
	<p>TOKYO - No. <u>Y-1032</u> ✓</p>
	<p>KARACHI - No. <u>Y-536</u> ✓</p>
	<p>CANBERRA - No. <u>Y-501</u> ✓</p>

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT
EN CLAIR
NO. 446

USSEA Secy to Lab. New Delhi
Mumbai U.N. Div. Karachi
London Legal Div. Canberra
Tokyo NDHQ
Doneg. K.B. 21/11/50
J.J. McCARDLE

UNCLASSIFIED

NEW YORK, November 20, 1950.

50056-A-180
27 27

*To see
H. G. Collins
file.*

Unclassified. Addressed Beaver Washington No. 58, repeated to External Ottawa No. 446.

Reference my immediately preceding teletype. Formosa.

Following is relevant passage referred to; Begins:

The same desire to localize the conflict and prevent it from spreading has dictated the policy which we have followed, and will continue to follow, over Formosa. We appreciated the necessity for action which President Truman took on the 27th of June in ordering the United States Seventh Fleet to defend Formosa, because it seemed to provide a way of neutralizing that island during the course of the fighting in Korea. We also understood the explanatory comment which President Truman gave in his press conference on the 31st of August when he declared: "Of course, it will not be necessary to keep the Seventh Fleet in the Formosan Straits if the Korean thing is settled. That is a flank protection on our part for the United Nations forces". The question of Formosa has now been placed by the United States on the agenda of the General Assembly. We will be prepared to support in the United Nations any appropriate resolution which would authorize the continuance of this neutralization of Formosa so long as the war in Korea makes that necessary. We are in some doubt, however, as to whether any more comprehensive action by the United Nations over Formosa could usefully be taken at this time. Ends.

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NOV 21 1950

CHAIRMAN

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT

CYPHER - AUTO

NO. 445

*Refer: ASSEA Secy to Cabinet New Delhi
Mr Reid. UN Div. Kanakhi
London Legal Div. Con...*

NEW YORK, November 20, 1950.
J.J. McCANDLISH
50056-A-40
27 | 27

*To See
An Collins
file*

Secret. Addressed Washington No. 57, repeated to
External Ottawa No. 445.

Formosa.

1. You will have seen from telegrams from the delegation during the week-end that there is some likelihood that, when Formosa item is reached on Agenda, United States delegation will press for resolution in even stronger terms than draft recently under consideration. On the other hand, it is clear that there is growing concern, amongst Commonwealth delegations at least, over prospect of extending United Nations commitment in Far East through establishment of Commission on Formosa.

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NOV 21 1950

2. In these circumstances, I think we should take the opportunity given by postponement to review with the State Department the position in regard to Formosa. I hope United States officials realize fully that we are opposed to the acceptance by the United Nations of any commitment in Formosa beyond the limits already accepted by Mr. Truman for the United States, - neutralization for the duration of the fighting in Korea. For this reason, we dislike proposal to appoint a United Nations Commission to consider the future of Formosa because we think that this would imply a commitment by United Nations to defend the island while the Commission was preparing its report, and might lead to a further commitment arising out of the Commission's report.

3. I have been wondering whether, in view of the misgivings of their friends on this subject, and perhaps also because of their own divided counsels, United States Government might not be prepared to permit the Formosa item to lapse during this Assembly. Arguments which Dulles advanced last week for postponing the item until later in this session will, in all probability, be equally applicable two or three weeks hence. United States delegation might, therefore, be prepared to ask for further postponement on these grounds. Any embarrassment they might feel in doing so would certainly be less than difficulties which will arise if, in Political Committee, impressive common purpose which was shown over Korea disappears during discussion of Formosa.

4. I should be grateful if you would discuss Formosa item with State Department along lines indicated in this telegram and let me know results of your conversations.

5. My immediately following teletype contains relevant passage of a public statement which I made at Windsor on November 15th. I presume that full text of this statement will have been sent you from Ottawa.

6. Since this message was written, I have had a long conversation with Hickerson, to whom I have expressed most of the ideas expressed above. A full account of my conversation with Hickerson will follow.

CHAIRMAN

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1967 NOV 21 AM 9:34

File copy

Am. & F.E.Div./JJMcGardle/kb

Ottawa, November 20, 1950.

50056-A-40
27 27

NOTES FOR HEADS OF DIVISIONS MEETING

FORMOSA

(cf meeting No. 40 of October 2 and
Meeting No. 38 of September 18)

There has been continuing private discussion of the Formosa question in the past weeks which has revolved around a draft United Kingdom resolution redrafted by the United States. It would create a United Nations Commission to study the problem and with responsibility to recommend to the General Assembly what the future status of Formosa and the Pescadores should be. In the course of these discussions, our delegation was instructed to indicate our serious doubts on the resolution. The latest developments in the question was a proposal by the United States on November 15 to place the item last on the agenda of the Political Committee. There are two possible reasons for this surprise postponement. There are indications that at the last minute a difference of opinion within the United States delegation emerged with some members insisting that the resolution might be construed as an attempt to appease the Chinese Communists. A less likely possibility is that the United States delegation realized suddenly that support for its resolution was not assured.

2. It is expected that discussions on the question will continue between United States and Commonwealth delegations. It is not as yet clear what the outcome of these discussions will be. SECRET.

as frequently worded

American and Far Eastern Division.

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT

SECRET

CYPHER - AUTO

NO. 433

*Refer to Reid
See 1/2 Cabinet
NDHQ.*

NEW YORK, November 18, 1950.

*Done - Nov 27/50
J.M.E.
J.S. McARDLE*

*UN Div.
London
Tokyo*

50056-A-180
27 97

*To Sec
Ambassador's
file.*

Secret. Addressed External No. 433, repeated Beaver

No. 55. Following for Under-Secretary from Riddell, Begins:

Formosa.

Our telegram No. 409 of November 16th.

1. United Kingdom delegation has now suggested a somewhat different explanation than the one given in telegram under reference for the sudden request of the United States delegation for postponement of the debate on Formosa. According to this explanation, at the last moment a sudden difference of opinion emerged in the United States delegation over the terms of the draft resolution on Formosa. Some members of the delegation, of whom Senator Lodge was the most outspoken, insisted that the draft resolution was not sufficiently explicit in indicating that Formosa should not (repeat not) be restored to China, and that if the United States delegation submitted this resolution, it would be taken that they were trying to appease the Communist Chinese. In view of this difference of opinion, United States delegation decided to ask for postponement.

2. At a meeting of the Commonwealth delegations on Friday morning last, there was a general review of the position in regard to Formosa. Younger and Jebb did not (repeat not) seem to consider that resolution establishing a Commission on Formosa would necessarily involve United Nations in any commitment, either to defend the island or eventually to do anything about the

proposals which the Commission might put forward. If United States eventually submitted resolution along the lines of the draft which had been prepared, they would therefore give it their support. They did not, however, think that any of the great Powers should be represented on the proposed Commission.

3. Berendsen of New Zealand concurred in United Kingdom position and said that he thought the draft resolution was the least that could possibly be done once the subject had been put on the agenda, as was now the case. South African delegation said that it was prepared to support the draft resolution as a first step, but it seriously doubted whether United Nations would have the competence to carry out anything that the proposed Commission might recommend. Pakistani said his Government would support draft resolution. Mr. Pearson on the other hand suggested that effect of draft resolution would be to put the United Nations on the road towards a major commitment in regard to Formosa, and that even though this were only a first step, it would be difficult later to retreat. Indian representative said that this was now generally their position, and stated explicitly that they could neither support the resolution nor serve on the Commission. Keith Officer said that Australian Government would be unable to support the draft resolution because of considerations similar to those suggested by Mr. Pearson.

4. Since there will probably be further discussions on this question amongst Commonwealth delegations and with the United States within the next few days, it would be useful to know whether the Department had any comment on the position as outlined in the draft statement contained in my telegram No. 401 of November 15th. This statement was drafted on the assumption, which may not (repeat not) be correct, that delegation will take some part in opposing United States draft resolution if it is eventually submitted. It may, however, be difficult to

oppose the United States publicly on this subject, specially since the questions raised in the proposed draft statement are somewhat similar to arguments advanced by the Soviet delegation. There might therefore be some advantage in trying to persuade the United States privately either to modify its position before the resolution is put in, or alternatively to have the subject postponed until next year.

5. Full account of the discussion on Formosa in the Commonwealth delegations meeting is contained in minutes which are being forwarded by bag. Ends.

CHAIRMAN

FROM: THE HIGH COMMISSIONER FOR CANADA, NEW DELHI, INDIA
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT

CYPHER - O.T.P.

S E C R E T

NO. 256

NEW DELHI, November 18, 1950.

*Done - J M E
Nov 18/50
PB see
in brackets*

50056-A-40
27 | 27

Repeat to Candel N.Y.

Copy on 50069-A-40.

Refer to:

Mr Reid

Secy to Cabinet

UN Div.

London

Tokyo

Karachi

Colombo

*None - SA
20/11/50*

Secret. Your telegram No. 150 of November 15th.

1. I showed your telegraphic summary to Bajpai yesterday. While India's earlier objection was to the absence of the time limit for the report, she now, in view of general conditions in Korea, etc, is against any Commission or any General Assembly resolution at this time.

2. Bajpai assumes Formosa must eventually go to China and thinks the problem of Nationalist forces will solve itself as it did on mainland. He suggests that Security Council on forthcoming Chinese hearing may be able to deal with the disposition of Formosa or hold the fort pending peace treaty. Ends.

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NOV 18 1950

HIGH COMMISSIONER

EXILED
COPY
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MESSAGE FORM
OUTGOING

File

FILE REF.	

50056-A-40
27 27

SECURITY CLASSIFICATION
SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: The Chairman, Canadian Delegation to the United Nations General Assembly
NEW YORK

Message To Be Sent	No. <u>311</u>	Date	For Communications Office Use Only
EN CLAIR		November 18, 1950.	SENT -- NOV 18 1950
CODE			
CYPHER <u>AUTO X</u>			
Degree of Priority	<i>For mva.</i>		
ORIGINATOR	Following is text of telegram No. 256 dated		
Sig.	November 18, 1950 from the High Commissioner for		
Typed: <u>J.J. McCardle</u>	Canada, New Delhi, India, Begins:		
Div. <u>Am. & F. E.</u>	(Communications Section please repeat text of		
Local Tel. <u>6129</u>	above telegram)		
APPROVED BY	Ends.		
Sig. <u>M. Collins</u>			
Typed:			
Is This Message Likely To Be Published			
Yes () No ()			
Internal Distribution:			
Done			
Date			
Copies Referred To:			
Done			
Date			

1950 NOV 19 10 35:28
 RECEIVED
 COMMUNICATIONS SECTION

FORM 100M-19

Date

Done

RECEIVED
COMMUNICATIONS
EXTERNAL AFFAIRS

1950 NOV 18 PM 12:59

Copies Referred To:

Date

Done

Internal Distribution:

Yes () No ()

Likely to be Published
in This Message

Typed:

Sig: *W. J. ...*

APPROVED BY

Local Tel. Code

DIA. AM. S. E. R.

Typed: *1.1. MCC...*

ORIGINATOR

Degree of Priority

CLASSIFICATION CODE
EN CIVIL

Message to be sent

Ends.

(spoke telegram)

(Communications Section please repeat text of
Canada, New Delhi, India, Burma:

November 18, 1950 from the High Commissioner for
Following is text of telegram No. 228 dated
Jan 1950

November 18, 1950.

No. <i>228</i>	Date	SENT NOV 18 1950 For Communications Office Use Only
----------------	------	--

NEW YORK

TO: The Chairman, Canadian Delegation to the United Nations General Assembly

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

15 25

SECRET
SECURITY CLASSIFICATION

OUTGOING
MESSAGE FORM

LIFE BEL

EXT. 21

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 17 19 50

No. Y-1022

50056-A-HP
19/18

Sir,

I enclose the document (s) listed below.

The Acting Head of Mission,
Canadian Liaison Mission,
Tokyo, Japan.

I have the honour to be,

Sir,

Your obedient servant,

A.D.P. HEENEY

for

Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
<p>Copy of telegram No. 229 to New York dated November 6.</p> <p>SIMILAR TO: London No. Y-3459 New Delhi No. Y-797 Washington No. Y-3626 Canberra No. Y-495</p>	<p>Formosa.</p>

ORIGINAL AND FILE COPY

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

SECRET

CYPHER - AUTO

WA-2958

WASHINGTON, November 16, 1950.

*To Sec. Mr. Callahan
MK*

*Refer: Mr. Raif.
Secy of Cabinet
Un/Div. Done - MCL
Nov 17/50*

50056.A-140	
27	27

Secret. Addressed External as WA-2958, repeated Permdel
New York as No. 318.

Formosa.

1. A copy of the revised memorandum on Formosa was given to Clubb, Director of the Chinese Office at the State Department, yesterday afternoon. Clubb said that he was very glad to receive this statement of our views but showed no disposition to make any comments. In fact, he merely reiterated what we had been told before that the United States Government believes that it is necessary for some time to come to take precautions against possible attempts to solve the Formosa problem by force because of the psychological effect that Communist armed success would have in Asia at this time.

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CANADIAN AMBASSADOR

NOV 17 1950

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE U.N. GENERAL ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

IMPORTANT

S E C R E T

CYPHER - AUTO

NEW YORK, November 16, 1950.

NO. 409

50056A-40
27 | 27

Secret. Addressed External Ottawa No. 409, repeated

to Beaver Washington No. 53.

Formosa.

When Political Committee concluded discussion on Greek item at noon Wednesday, Chairman announced that Committee would re-assemble in afternoon to discuss Formosa. Expectation was that United States delegation would immediately introduce a resolution. Morning press had carried a summary of proposed United States resolution, and during Wednesday morning United States Press Officer confirmed to correspondents report that United States resolution would be tabled.

2. When Committee met, however, Dulles said that, because discussions concerning Formosa would shortly take place in Security Council, and also because of unsettled conditions in the Far East, United States delegation now wished to postpone consideration of Formosa by Political Committee. He therefore proposed that item should be placed last on Committee agenda.

3. Apparently during noon hour Wednesday Americans realized for first time that support for their resolution was not assured. United Kingdom delegation had not yet been given clearance even to vote for it, much less sponsor it. Australian delegation was likewise uncertain of its position, and refused entirely to accept nomination for proposed Commission. United States may also have learned that Indians would not support their resolution or serve on this Commission and they were reminded during the morning of Canadian misgivings. In the light of these circumstances, Dulles apparently first suggested that debate should go forward without any resolution being tabled. He was

Handwritten notes:
PTT
40056A
H. Reid
Secy to Cabinet
Minister of Int. Aff.
J. L. S.
Secy, Chief of Staff Committee
Def. Secy
Roxton
Barbara

Y
O HSE

NOV 16 1950

Handwritten notes:
New Delhi
D. S. G.
Done Nov. 22/50
C.C.D.

dissuaded from this course of action by Younger and he then decided to suggest postponement.

4. After Dulles had made his proposal for deferment in Committee, he was followed immediately by Tsiang who suggested that his item on Soviet aggression in China be taken next, and that he be granted 24 hour adjournment to give him time for preparation. Malik at once seized the initiative which had been dropped by Dulles to attack United States policy in Formosa. He said that U.S.S.R. considered United States item on future of Formosa inappropriate, since United States had already signed undertaking to restore Formosa to China. As far as he was concerned, discussion on this subject could be postponed indefinitely. He would, however, like to discuss his item on United States aggression against China in Formosa, and he was prepared to do so immediately. A confused discussion on procedure then took place, at the conclusion of which it was decided to take up Tsiang's item next, then U.S.S.R. item on Formosa and finally United States item on Formosa. In the course of this discussion, Malik tried unsuccessfully to persuade the Committee to consider a proposal that the Communist Chinese should be asked to participate in the discussion of his item. Because of intervening plenary session, Committee adjourned until Monday.

5. Dulles, in defending his request for postponement against Malik's derisive criticism, said that when United States had put Formosa on the agenda, Korean war seemed near its conclusion. Now, however, Chinese intervention had prolonged that war, China was also intervening in Tibet and Indo-China, and primary objective now must be to assist Security Council in preventing general war in the Far East. In this part of his statement, which probably sounded more ominous than he realized or intended, he came very close to saying that war with China was so imminent that it would be a waste of time to discuss the future of Formosa.

CLEARED
COMMUNICATIONS
EXTERNAL AFFAIRS

1957 NOV 16 PM 4:45



SECRET AND PERSONAL

Mr McCord

*When you have time,
just for fun, you
might check & see*

*Rter drafted the alternative
resolution originally*

file PSC

Washington, November 16, 1950

Dear Ralph:

Memorandum on Formosa

50056-A-
27

Our teletype No. WA-2958 of November 16 being somewhat cryptic, I thought you might be interested to have a copy of the note which I prepared for the Ambassador after talking to Clubb yesterday about the Formosa Memorandum. The Ambassador thought that a copy should be left with the State Department.

With regard to the possible limited resolution on Formosa referred to in your teletype No. 230 of November 7 to New York, it seems to us that, apart from the probable opposition of the United Kingdom and United States Delegations referred to by Riddell, it would be of doubtful propriety for the General Assembly to call upon the disputing parties to refrain from taking hostile action against each other while the Korean fighting is in progress. The implication is rather strong that the two parties could go to it with no holds barred after the Korean Campaign is concluded. Although this might be the only practical solution, it seems unlikely that the General Assembly could be persuaded to state this.

Yours sincerely,

R.E. Collins, Esquire,
American & Far Eastern Division,
Department of External Affairs,
Ottawa, Ontario,
Canada.

COPY

S E C R E T

November 16, 1950.

The Ambassador

FORMOSA

I saw Clubb, Director of the Chinese Office at the State Department, yesterday at 5 p.m. and handed him a copy of Riddell's Formosa memorandum. I said that our misgivings over the joint U.K.-U.S. resolution on Formosa were really based upon two considerations:

- (1) The United Nations might, in effect, be responsible for the "neutralization" of Formosa beyond the duration of the Korean Campaign.
- (2) The possibility that the Cairo Declaration might now be disregarded and some other disposition of Formosa might be made than the restoration of the island to Chinese sovereignty.

I made some reference to probable Asian opinion on these matters and to the danger of Formosa becoming a continuing military commitment.

2. Clubb, who is a stolid and rather uninspiring "Party-line" man, said that the State Department would be very glad to have our views on this matter but he was very guarded and could not be led into making detailed comment. He asked particularly whether it was the Canadian view that Formosa should be regarded as Chinese. I said that we thought, in principle, that the Cairo Declaration with regard to Formosa should be adhered to. Clubb then wondered whether Canada had an alternative resolution to propose. I referred to the fact that we were no longer members of the Security Council but said that Canada would probably like to see a resolution on Formosa which limited United Nations responsibility so that it would not extend beyond the Korean crisis. (C.F. President Truman's statement of August 31.)

3. Clubb, saying something about the American position, reiterated what he told Collins and me on October 25, namely that the United States felt that it would be necessary for sometime to come to take precautions against possible attempts to solve the Formosa problem by force, because of the psychological effect that Communist armed successes would have in Asia at this time. (It seems clear that the United Nations should confirm the American action in neutralizing Formosa by assuming responsibility for the continuance of the "neutralization".)

4. Clubb said he had heard that there had been a United Kingdom proposal to defer discussion on Formosa until consideration of the Chinese Communist charges of American aggression against Chinese territory (Formosa) or at least until the arrival of the Peking representatives. Clubb said that the United States would probably agree to such a proposal. He stated that there had been no news of the arrival of Peking's representatives in Prague.

5. With regard to Korea, Clubb said that the State Department had received no authentic reports of a large-scale increase of Chinese forces in Korea. The lull in ground operations was continuing. He gave it as his personal opinion that the Chinese objectives in Korea are to expel the United Nations forces from the whole of North Korea, or even from the entire Korean Peninsula. He, therefore, expected the extent of the Chinese intervention to increase considerably and to build up to a large-scale offensive. I must say he did not support this opinion with any convincing arguments.

P.G.R. Campbell.

File copy

Am.&F.E./J.J.McCardle/MCC

OK

Ext. 140

S E C R E T

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 16 1950

No. Y-343

Sir,

I enclose the document () listed below.

50056-A-1
19 | 18

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner
for Canada,
London,
England.

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 16 19 50

No. y-1020

50056-A-1
19 18

Sir,

I enclose the document (3) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The Head of the
Canadian Liaison Mission,
TOKYO,
Japan.

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

File copy

Am.&F.E./J.J.McCardle/MCC

Ext. 140

SECRET

ok
Jm

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

No. Y-795 ✓ November 16 1950.....

50056-A-1!
19 | 18

Sir,

I enclose the document (s) listed below.

I have the honour to be,

Sir,

Your obedient servant,

**The High Commissioner
for Canada,
NEW DELHI,
India.**

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	FORMOSA.

SECRET

ohm

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 16 1950

No. Y-531

50056-A--		P
19	18	

Sir,

I enclose the document (s) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner
for Canada,
KARACHI,
Wellington.

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

File copy

Am.&F.E./J.J.McCardle/MCC

SECRET *ok*
90m

Ext. 140

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

No. *y-494*

November 16 19 50

50056-A-1
19 | 18

Sir,

I enclose the document (5) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner
for Canada,
CANBERRA,
Australia.

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

File copy

Am.&F.E./J.J.McCardle/MCC

ok
[Signature]

Ext. 140

S E C R E T

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

November 16

19 50

No. Y-402

50056-A-1 P
19 | 18

Sir,

I enclose the document (~~s~~ listed below.

I have the honour to be,

Sir,

Your obedient servant,

The High Commissioner
for Canada,
WELLINGTON,
New Zealand.

A.D.P. HEENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

File copy

Am.&F.E./J.J.McCardle/MCC

Ext. 140

SECRET

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am

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA

No. y-167

..... November 16 1950.....

50056-A-1.
19 | 18

Sir,

I enclose the document (x) listed below.

I have the honour to be,

Sir,

Your obedient servant,

The Canadian
Consul-General,
MANILA,
Republic of the Philippines.

A.D.P. HENEY

for Secretary of State for External Affairs.

DESCRIPTION OF DOCUMENT	SUBJECT
Teletype No. 394, dated November 14, 1950, from the Chairman, Canadian Delegation to the United Nations Assembly.	Formosa.

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE U.N. GENERAL ASSEMBLY, NEW YORK
TO: THE SESECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

MOST IMMEDIATE

SECRET

CYPHER - AUTO

Ref: USSEA

NEW YORK, November 15, 1950.

NO. 401

*Done
jim
Nov 16/50
Mr Reid
Secy to Cabinet
UN Div.*

50056-A-40	
27	27

*To see Amottins
Mr McLeod*

*return extra copies
to SSM.*

Secret. Following for Reid from Riddell, Begins:

Formosa.

Referring to my immediately preceding teletype, the following is text of draft preliminary statement, Text begins:

Draft Statement Concerning Formosa

In the letter of September 21st in which it placed the question of Formosa on the agenda of this session of the General Assembly, the United States Government gave a clear indication of its belief that the future of Formosa might be adversely affected if the island became involved in general disturbances in the Far East. The purpose of the United States Government in taking steps to prevent Formosa becoming involved in these disturbances, and in suggesting now that the future of the island be discussed in the United Nations, is understood and appreciated. It is certainly timely that, in view of the commitment which it has undertaken in Korea, the United Nations should consider the implications on that commitment of the situation in Formosa.

Before we proceed with this discussion, however, and certainly before we take any action in regard to Formosa, I think we should be clear in our minds about the general principles on which we should proceed. It seems to us that it would be extremely dangerous for us to initiate a course of action concerning Formosa if we did not have some idea of the direction in which this course of action was likely to lead us. For this reason I think we should determine now whether there is any inclination to consider that Formosa might be detached, either completely or partially, from China. If such a step is contemplated, or indeed if it is even thought that such a

development might take place, we would then be opening for consideration a possibility that is directly contrary to all the assumptions about Formosa that have been made since the end of the war. At all times since the Cairo Declaration of 1943, and by all parties, it has been assumed that in the peace settlement which emerged from the war, Formosa would become part of China. This principle has never seriously been questioned, and it seems to us that it would be a very serious step indeed if we were to question it now, or even to initiate a process by which it might be questioned. I should therefore like to be informed more explicitly by the delegation which has put this resolution on the agenda, and by delegations which are proposing a course of action in the joint resolution which is now before us, as to the course of action or flow of events which they see proceeding from the actions which they are now initiating.

If there is no general disposition to question here the assumption which has prevailed since the war that Formosa is to be reunited with China, then I think a second important question of principle arises concerning the extent to which the United Nations should interpose itself in an issue concerning the control of Formosa which is basically the affair of the Chinese people. We would certainly hope that the Chinese people could settle the question of the Government of Formosa peacefully. There is, however, a very real question in our minds as to whether the United Nations should assume any responsibility for recommending to the Chinese people a method by which they should settle this question, or for enforcing upon them a settlement which has been decided upon by others than the Chinese people themselves. I am not sure even that we should consider it necessary to try to prevent the Chinese people settling the question of Formosa, even by violent means, if the only way in which the United Nations can do so is by itself using force.

In the light of these very general considerations which I have raised, I should like to ask the sponsors of the resolution

which is before us certain specific questions about the proposals which they have made. They are recommending that a Commission should be set up to consider the future of Formosa. They have not indicated any time limit within which this Commission should be expected to report. Are we, therefore, to assume that for the duration of a period which will extend at least until the meeting of the next session of the Assembly, the future of Formosa is to be held in abeyance? Are they willing to assure us even that they expect the Commission to formulate its report about Formosa by the time the Assembly next meets in regular session? I should like to know also what they expect to happen in Formosa during the period in which the Commission is making its study. Presumably this island will remain under the control of its present Government. What assurances can we have that that administration will not in the meantime take steps which seriously prejudice the decisions which, under this resolution, the United Nations will have to make? We should also be informed by the sponsors of the resolution as to the obligation which the United Nations will be assuming to defend the island against attack, and to prevent it also being made a base of attack upon the mainland, during the period when the Commission is meeting. At present, the neutrality of the island is being guaranteed by a United States fleet which, according to statements of the President of the United States, has been commissioned to enforce this neutrality during the duration of the conflict in Korea. Are we to assume that, by the terms of this resolution the responsibilities which are now being undertaken by the United States Seventh Fleet will be taken over by the United Nations as a whole for an indefinite period extending up to the time when the question of Formosa is finally settled?

There are more long range questions which are raised by the resolution to which it is also important to secure answers. Presumably the proposed Commission will, if it is established, in due course make recommendations concerning Formosa. These recommendations can generally be formulated either in terms of the eventual and complete reunion of Formosa with the mainland, or, alternatively, of the temporary or permanent detachment,

either complete or partial, of the island from the mainland. In the case of either kind of recommendation, have the sponsors of the resolution given any consideration to the responsibility which would rest upon the United Nations for enforcing the decision? If it is eventually decided that the island should be reunited with the mainland, are we to assume that the United Nations must effect this reunion? Alternatively, if a decision is taken which denies or restricts the right of the Government of China to control Formosa, will the defence of the island against attacks from the mainland become a permanent responsibility of the United Nations?

It has always been a principle with this delegation that members of the United Nations should not ask this organization to assume responsibilities which, in its present state of development, it is clearly incapable of carrying out. It is with this principle in mind that we are asking these questions. We do not think that decisions should be taken now which will eventually involve the United Nations in responsibilities beyond those which its members are willing to accept, or which it is capable of carrying out. Text ends.

CHAIRMAN

ORIGINAL AND FILE COPY

FROM: THE CHAIRMAN, CANADIAN DELEGATION TO THE UNITED NATIONS
GENERAL ASSEMBLY, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, OTTAWA

50056-A 40	
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*Done
J.M.B.
Nov 16/50*

MOST IMMEDIATE

CYPHER - AUTO

NO. 400

SECRET

*Reps: USSEA
My Reid.
Send to Cabinet.
UN Div.
J.J. McCARDLE*

NEW YORK, November 15, 1950.

Secret. Following for Reid from Riddell, Begins:

Formosa.

1. My immediately following teletype contains the draft of a preliminary statement concerning Formosa, which I mentioned to you on the telephone this morning. I have dictated this draft hastily and have not had the opportunity to read it since it was typed. I have proceeded on the assumption, which may not be correct, that the Minister is prepared to indicate opposition to the course of action which is being proposed in the draft resolution that has been shown to us.

2. I have not, however, gone further in the draft than to ask a series of questions which are pointed in the direction of opposition to the proposed resolution. Ends.

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NOV 15 1950

CHAIRMAN

MESSAGE FORM
OUTGOING

FILE REF.

SECURITY CLASSIFICATION

SECRET

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE HIGH COMMISSIONER FOR CANADA,
NEW DELHI, INDIA.

For Communications Office Use Only

SENT -- NOV 15 1950

Message To Be Sent

EN CLAIR
CODE
CYPHER

X

Degree of Priority

Important

ORIGINATOR

Sig.

Typed: J.J. McCardle/
MCC
Div. Am. & F.E.

Local Tel. 7359

APPROVED BY

Sig.

Typed:

Is This Message
Likely To Be Published
Yes () No ()

Internal Distribution:

USSEA
Secretary to
Cabinet
U.N. Div.

Done

Date

Copies Referred To:

The Chairman,
Canadian Delegation to U.N.
NEW YORK

Done

Date

49-P-274-100M

No. 50

Date November 15, 1950

Reference our form despatch Y.654 of October 12.
Formosa.

The following is a summary of a Canadian memorandum on Formosa which has been shown to the United Kingdom, United States, Australian, New Zealand and Indian Delegations in New York. The Indians were informed that the memorandum would be given to their Department in New Delhi. You should therefore arrange to ~~arrange~~ give Bajpai a copy of the summary as soon as possible. We would wish to hear of any comments he has to make on it. For your own information, the term "interested opinion" means Asian opinion. Summary Begins

1. Interested opinion may

- (a) be suspicious of any proposal which would appear to give United Nations approval for maintenance of Formosa as part of United States military defence arc in the Western Pacific;
- (b) regard United Nations concern in future disposition of Formosa as undesirable interference in internal affairs of China;
- (c) consider United Nations action a repudiation of Cairo Declaration.

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MESSAGE FORM
OUTGOING

FILE REF.

SECURITY CLASSIFICATION

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO:

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- 2 -

2. China

Both factions are opposed to any proposal questioning their conviction that Formosa is, (and should remain) a part of the Chinese state. Any solution ignoring China's claim to Formosa would never be acceptable to the Chinese people. Formosa could remain the object of irredentist ambitions and a constant source of friction between China and the West.

3. Disposition of Formosa

(a) Substantial forces would be required to deny Formosa to Chinese Communist control, involving a military commitment, the strategic desirability of which has not been clearly demonstrated.

(b) Impartial plebiscite in Formosa difficult so long as Nationalist forces remain in control.

(c) Under any scheme which might unite Formosa with Chinese mainland disposition of Nationalist forces will be an acute problem.

4. Revised United Kingdom Draft Resolution

(a) No indication in the resolution of when the Commission is to report to the General Assembly. If report is not made until next session,

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