

*Part I*

BACKGROUND TO MYTHOLOGY

## Chapter 1

### THE BIRTH OF A LEGEND

The nation which indulges towards another an habitual hatred or an habitual fondness is in some degree a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and interest.

—George Washington

*The United States is in danger of losing its memory. A nation's memory is its sense of history, and a sense of history cannot be constructed on a basis of misinformation and great passions.*

*It is not China's remoteness that makes her so difficult for us to understand; it is the intense partisanship that China has always evoked among ourselves. Dispassionate discussion of our relations with China has always been rare. Some years ago almost nothing could be said about the Chinese that wasn't controversial unless it was based on assumptions of their heroism. Today, discussion must be based on assumptions of their malevolence. From our earliest contacts, China has exerted a peculiar fascination for Americans, a fascination compounded both of the highest admiration and the deepest suspicion. Where China is concerned we have never, it seems, been able to disengage our feelings and settle for some middle course.*

*To understand why this is so we need to go back a little and remind ourselves of our earlier relations with China. In this way we may learn the causes of the intensity of feeling that China still arouses in Americans. We will find too that the misleading reporting about China today has its roots in the misleading reporting about China in the past.*

**W**hat is the cause of the deep-seated emotion which China has always aroused in Americans? Why the unremitting hostility toward China today?

China's Communism? But why the difference in temper and mood toward the Soviet Union—a much more powerful enemy? Why trade with Russia and not with China? Why permit citizens to travel to the Soviet Union and forbid travel to China? The Korean War? Then why were the American people so quick to forgive the Japanese—an enemy that inflicted infinitely greater damage? Why for a decade has a citizen's view of China almost been a test of his loyalty to the United States? Why is it dangerous for any politician even to suggest that our China policy needs re-examination? Why should a country so far away, so little known, so incapable yet of imposing any threat to America's military security or to her commercial interests, nevertheless have this unique capacity of arousing in Americans such intense emotion?

There are answers to these questions but they will not be found in logic. America's exaggerated hostility to China today has grown out of her exaggerated hopes of China in the past. They are opposite sides of the same coin.

Only a look at the history of U.S.-China relations can provide us with a clue.

American involvement with China reaches back almost to the beginning of our history as a nation. The first American clipper ship sailed from New England to China in 1784, the year after the United States was founded. The tea that was dumped into Boston Harbor came off a British ship that had just arrived from China.

It was merchants who made our first contact with China, but these were quickly followed by the missionaries. At first they came in two's and three's. By 1875 there were four hundred missionaries in China; in 1905, two thousand, by 1918 the number had risen to six thousand and by 1925, eight thousand. Throughout these years two parallel objectives dominated American hopes—to convert the heathen and to exercise political and commercial ascendancy over the affairs of China.

It would be hard indeed to over-emphasize the extent of the influence of the missionaries in shaping and directing the Far Eastern policies of the United States. . . . Beginning with President McKinley, they received the special recognition from the executive branch of the government. . . . Taft and Wilson in particular were amenable to their influence. What little Wilson knew of the Far East came from his missionary friends. . . .

For many years missionaries, businessmen, and government officials collaborated in the movement to implant American social and economic institutions in China; and of the three the missionaries were by far the most powerful.<sup>1</sup>

Americans represented a very high proportion of the total missionary population. It was not always easy going. Their efforts to convert the Chinese to Christianity aroused the hostility of the ruling classes of China who considered the activities of the missionaries intolerably arrogant—and a threat to the existing order. The missionaries were frequently attacked by mobs even in the treaty ports. The growing anti-foreign feeling in China during the

<sup>1</sup> Richard Van Alstyne, *The Listener* (London: March 23, 1961).

nineteenth century, however, appeared only to heighten the zeal of the missionaries "to win China for Christ."

By 1900 the hatred and suspicion that the Chinese felt toward the foreign missionaries exploded in what we think of as the "Boxer Rebellion." Two hundred foreign missionaries and thirty thousand Chinese Christians were killed. The Western powers responded by inflicting savage reprisals upon the Chinese. Large numbers of Chinese were slain by the allied armies that marched to Peking;<sup>2</sup> great quantities of the finest of Chinese artistic and historic treasures were, on orders of their officers, smashed by the allied troops and indemnities amounting to \$320,000,000 were extorted from the impoverished Chinese people. It is horrifying, but revealing of the temper of the times, to read the report of the Rev. Mr. Ament, who had been sent to China by the American Board of Missions to collect indemnities due to the missionary societies.

In an interview on his return to America, reported by the *New York Sun* on Christmas Eve, 1901, Mr. Ament expressed satisfaction that he had not only succeeded in collecting the agreed indemnities, but also had assessed fines amounting to *thirteen times* the amount of the indemnities. (This money, Mr. Ament said, "will be used for the propagation of the gospel.") The Catholics, according to Mr. Ament, were more stringent in their demands for they not only claimed monetary indemnities but also

<sup>2</sup> Many people are confused by the use of the word "Peking" for "Peiping." These names refer to the same city. Peiping (meaning Northern Peace) was the name the city was known by in the Ming Dynasty, but in 1420 the name was changed to Peking (Northern Capital) which it retained until 1928 when Chiang Kai-shek moved his capital south to Nanking and it was known again as Peiping. In October 1949, the Communist government restored the city to its former position as the national capital and it was once more called Peking. It is known as Peking throughout the world except in the United States, in deference to the myth that Chiang Kai-shek is still the ruler of China. To call it Peking would imply that the capital of China is there and not in Taipei on the island of Taiwan.

In 1962, the *New York Times* decided that it was time to fall into step with the rest of the world. The AP and most other papers followed suit. The Voice of America still refers to it as Peiping and I have a letter dated August 21, 1963, from the State Department in which Peiping is also used.

a "head for a head" for each of the Catholics killed in the uprisings.<sup>3</sup>

I raise these painful memories to remind us of what was then the normal attitude of civilized Western people toward the Chinese. It was based firmly on the conviction of Western, Christian, superiority. This assumption of superiority ate like a corrosive acid deep into the sensitivities of a very proud and ancient people. To Westerners, the Chinese were uncivilized and almost less than human. They quite clearly stood in need of God's grace; it was manifestly America's destiny to lead them to it.

Paradoxically, these punitive expeditions and these reprisals around the turn of the century ushered in what on the surface appeared to be the flowering of missionary effort in China. With the Boxer Rebellion and its aftermath, Chinese resistance to foreign influence collapsed. They had learned that resistance without strength was useless; from now on they would attempt to learn from the technically more advanced nations the secret of their strength. The new relationship between the triumphant foreigner and the thoroughly defeated Chinese produced the kindlier, more sympathetic image of the Chinese which carried over for almost half a century.

This new attitude toward the Chinese (Harold Isaacs called this period "The Age of Benevolence")<sup>4</sup> was sustained in part by self-delusion. The "remission" of the Boxer indemnity provides a good example of the mythologies that appear destined to bedevil U.S.-China relations, an example too of how the belief of "our kindness to the Chinese" continues to the present day. It may be worth setting the record straight.

In 1908 the U.S. government agreed to remit the balance of the Boxer Rebellion indemnities still due to America. Success-

<sup>3</sup>I am indebted to Mark Twain for my knowledge of this interview with Mr. Ament. When I read of it in Twain's biting essay "To the Person Sitting in Darkness," I could not bring myself to believe that such an interview had taken place. A search in the files of the *New York Sun* showed me that Twain had copied the text with meticulous accuracy.

<sup>4</sup>Harold R. Isaacs, *Scratches on Our Minds* (New York: John Day, 1958). I am greatly indebted to this book for much of the information in this and the following chapter. Mr. Isaacs' book provides a very valuable account of the varying images in the American mind of China and India.

sive generations of Americans have been led to believe that this remission was a spontaneous gesture in which we were showing unusual magnanimity to a defeated and contrite enemy. Even in 1959 a China scholar of Professor John K. Fairbank's standing still cites this remission as a matter of great credit to us. According to Professor Fairbank, the U.S. "turned back the money that we received as indemnity for the missionaries that had been killed."<sup>5</sup> The facts could bear a somewhat different interpretation.

With the collapse of Chinese resistance to foreign influence after the Boxer Rebellion, an increasing number of Chinese realized that if their country was ever to establish itself as an independent power it must move into the modern world. Japan, by her victory over Russia in 1905—the first modern Asian victory over a Western power—gained enormous prestige among the Chinese and an increasing number of upper-class Chinese (among them a young man by the name of Chiang Kai-shek) flocked to Japan to learn the secret of her success. It became apparent to many Americans (both educators and businessmen) that unless steps were taken, other countries (especially Japan, Britain, and Germany) might reap the benefits of China's "awakening."

There was, as a result, a growing public demand that something be done to attract Chinese students to the United States, so that they might "act as commercial missionaries." The most influential appeal came from a college president who argued that had the United States acted differently over the preceding years she would "have been controlling the development of China in that most satisfactory and subtle of all ways—through the intellectual and spiritual domination of its leaders."<sup>6</sup>

It was only under pressure that Theodore Roosevelt in 1908 reluctantly agreed to the remission of the *unused balance* of the Boxer indemnity. The act passed by Congress the following year provided that the sum of \$11 million be set aside to finance

<sup>5</sup>A symposium, "Foundations of U.S.-China Policy," broadcast on January 10, 1959, by radio station KPFA, Berkeley, California, and subsequently published by the Pacifica Foundation, Berkeley.

<sup>6</sup>Quoted by Jessie A. Miller, *China in American Policy and Opinion, 1906-1909* (Ph.D. thesis, Clark University, 1940).

the education of Chinese students both in China and the United States. It is usually forgotten that the money was Chinese money in the first place, exacted as a punitive indemnity for a historically understandable rebellion and that the sum remitted was the balance remaining after all American damage claims had been more than amply covered.

The sense of kindly benevolence toward a backward people dominated American feelings throughout the earlier part of this century. We came to consider ourselves guardians whose duty it was to lead China toward the benefits of a Christian and of course a safely capitalist world. The missionary activity by this time was not limited to the saving of Chinese souls but had expanded to include medical assistance and the establishment of schools and colleges. By 1925 there existed in China no fewer than 27 mission colleges, and 560,000 Chinese children were being educated in Protestant and Catholic mission schools. There were in that year 700,000 Protestant and 1,400,000 Catholic communicants.<sup>7</sup>

While Christians held many important positions, the influence of the Christian missions on the Chinese people has usually been greatly exaggerated. By 1949, after a century of effort, less than 1 percent of the population had been converted.

Although the missionaries spread more widely through China and in some areas were more intimately involved with the lives of the ordinary Chinese, the traders moved in too.

The United States never moved abroad with the same "empire building" confidence of the British and the Europeans. American diplomacy had therefore to be directed to preventing other nations from turning China into an exclusive preserve. The United States from the first insisted that any privileges China granted to other powers must be extended to her also. Throughout the nineteenth century European nations were—by war itself or the threat of war—wresting from the helpless Chinese all kinds of commercial prerogatives and immunities. America also was able to reap the advantages of these, but with almost no military action and there-

<sup>7</sup> *China Year Book*, 1925-26, Shanghai.

fore with no qualms of conscience. "Hitchhiking" imperialism, one writer called it.

This strategy, that had been insisted on throughout the nineteenth century, was finally formulated in the famous "Open Door Policy" of 1899. Its real intent was concealed beneath all kinds of high-sounding phrases about insuring China's freedom, independence, and integrity. With its primary purpose to see that no one power should dominate China and that the fruits of exploitation should be shared, the Open Door Policy firmly established America's role as China's "protector."

China's domestic development being greatly restricted by regulations imposed by the foreign powers for their own interests, and being militarily impotent, it was a country ripe for exploitation. Throughout the first two decades of the twentieth century Western businessmen enjoyed an unparalleled freedom to establish highly lucrative commerce with China—and they made the most of it.

In the minds of Americans at home during the twenties, the image of the Chinese was nearly always as inferior people—different, dangerous, mysterious, "inscrutable." In America, they ran laundries, they wrote backwards, they didn't go to church, and the men sometimes still wore pigtaails.

Chink Chink Chinaman sitting on a rail

Along comes a white man and cuts off his tail. . . .

The *differentness* of the Chinese prevented him from disappearing into the crowd; his defense against a hostile environment was to withdraw into his own communities.

Millions of Americans had the image of the Chinese as a sinister figure, imprinted on their minds by a series of very popular films about Dr. Fu Manchu. For Manchu (according to Hollywood publicity) had "menace in every twitch of his finger, a threat in every twitch of his eyebrow, terror in each split-second of his slanted eyes."<sup>8</sup>

He was revengeful, merciless, adept at obscure forms of slow torture, a master of unknown drugs, and the lord of

<sup>8</sup> Isaacs, p. 116.

a vast army of thugs and slaves ready to do his worst bidding. He was so evil that he periodically had to be killed off, and was so mysteriously superpowerful that he always miraculously reappeared in time for the next episode.<sup>9</sup>

While the popular image of the Chinese as a crafty devil was firmly established in the minds of Americans at home, Americans in China itself had another attitude toward the Chinese. They rather liked the Chinese, they enjoyed their life in China, and they were making money.

It is probably for these golden years up to the Second World War that the "old China hands"—the businessmen especially—have the keenest sense of nostalgia. They recall with a wistful longing the easy life in the treaty ports. For the Westerner it was a good life. He remembers his clubs, his profits, his polite servants, his ascendancy and superior position. Americans—and other Westerners—were members of an elite; they bore no responsibility to the place or to the "natives"; they could ignore its laws. They could afford to be expansively kind toward the people around them. There was a general assumption that the Chinese were quite incapable of orderly rule or effective administration—so they should feel grateful to the foreigner for being there to help them.

An interview with a businessman which is recorded in Harold Isaacs' book summarizes this attitude:

In my time everybody loved China. The white man was respected to a very high degree. We loved the way of life. Business was good. The white man was master. It was a cheap place to live. There were varying views of the Chinese, but generally people were pretty fond of them.<sup>10</sup>

There was, of course, another China and Richard Hughes, correspondent for the *Sunday Times* of London, has reminded us of it:

I knew Shanghai when it was the gayest city in the Far East—gay, that is, if you were a foreigner or a Chinese millionaire. But there were corpses in the street every night. 20,000 died a year from hunger, cold and exposure. And

<sup>9</sup> Ibid., p. 117.

<sup>10</sup> Ibid., p. 151.

there were swarms of beggars. And the childish street walkers. And the sweating rickshaw coolies, with a professional life-expectancy of eight years—if they didn't smoke too much opium. . . .<sup>11</sup>

These disturbing glimpses behind the scenes did not discourage the ever-growing number of Americans upon whom China cast her spell. The future looked promising. A strong, united China, grateful for American help, a firm ally across the ocean providing an ever-widening market for American goods, became the national goal. This seemed the natural, the inevitable progression of events.

And in China a generation desperate for Westernization, for modernization, for progress, for some rescue from the miseries of poverty and backwardness, began to see an answer in the American ideal. It was a strangely symbiotic relationship. Its strength lay in the promise each people held out for the other. Its mortal weakness—that this friendship concealed ulterior motives on one side and repressed deeply felt humiliations and grievances on the other. America was "kind" to China—but was hoping for commercial and strategic benefits. The Chinese were dutifully "grateful" to their benefactors, but below the surface bitterly resented Western assumptions of superiority.

Not many of the thousands of Americans, however, living in China during this golden period of the twenties and thirties—the missionaries, the businessmen, the doctors, the teachers, the reporters, and the many who lived there because they liked the way of life and liked the Chinese—not many of these ever paused to speculate whether their affection was reciprocated. Americans were tolerant, easygoing, pleased with themselves for doing China so much good. And there were those, of course, who watched with calculating eye the long-term military and commercial advantages of an alliance with an emerging Asian nation of so vast a size.

That era for long was remembered as "the good old days," but below the surface a growing spirit of nationalism indicated that China was preparing to exert her independence as a nation.

This is not the place to trace the confused political events that

<sup>11</sup> *New York Times*, July 6, 1958.

between 1925 and 1927 brought Chiang Kai-shek to power. As we shall see Chiang had made his deal with the big Chinese and Western commercial interests and had turned on his Communist allies; but even so there were many foreign businessmen who saw in Chiang the first real threat to foreign domination. Many of them even appealed to their home governments to reassert foreign influence, if necessary by strong-arm methods.

But in 1931 the Japanese made their opening move to conquer China—and the whole picture was once more changed. Chiang, who had begun to arouse Chinese nationalist feelings against foreign influence, was now forced to look to the West for support against the invading enemy from Japan.

While Chiang Kai-shek was establishing his bona fides as the proper recipient for American support, he became a Christian—and a new legend was born.

Chiang had married the American-educated Soong Mei-ling, whose family formed part of the Chinese power elite. He embraced the Methodist creed in which she had been raised. To the missionaries Chiang's acceptance of Christianity raised limitless hopes. Many even believed that China would now become a Christian nation. For the first time they could look forward to official support for their endeavors. And in return for this bright promise, the missionaries and their supporters at home gave Chiang Kai-shek and his wife, from 1930 on, their passionate and uncritical support. They were ready to accept his assurances that he was a believer in "democracy"—that his one-party rule was merely a temporary period of "tutelage." They closed their eyes to the ruthless extermination of political opponents, his savage reprisals on his former Communist associates, his intolerance of all who did not give him total obedience, his disregard for the welfare of his people, his nepotism. He was a Christian, his wife was a Christian, the upper ranks of his government were staffed largely by the products of mission schools and American universities—this was enough. From that time on, Chiang's partisans in America began to play a highly influential role in shaping America's China policies.

Thus, during the thirties popular approval of the Chinese flour-

ished. This is the period of Pearl Buck's *The Good Earth* (this novel of China has sold two million copies and was made into a film seen by an estimated 23 million people). Lin Yutang published *The Importance of Living* and *My Country and My People*. The title of Carl Crow's book, *400 Million Customers*, became almost a national byword. The earlier (Boxer Rebellion—Dr. Fu Manchu) image of the Chinese as a crafty, dangerous devil with a knife between his teeth was now quite forgotten. The Chinese were no longer a "faceless mass," but a people

hardworking, strong, persevering, and able to withstand the most severe adversities, kind towards children, respectful towards elders, all in all an admirable warmly loving character.<sup>12</sup>

The initial Japanese invasion in 1931, in spite of this new image of the Chinese, was met with a certain passivity on the part of the American government and people. The Japanese were engaged more in a "nibbling" operation than in large-scale warfare; and Chiang, instead of fighting them, preferred a policy of "non-resistance" to the Japanese encroachments. President Hoover thought there was something to be said for the Japanese and that "we should in friendship consider her side also." He thought that: "Neither our obligations to China, nor our own interests, nor our dignity require us to go to war. . . ."<sup>13</sup> And meanwhile we were making money shipping war material to the Japanese.

When the Japanese in 1937 began their large-scale attempt to conquer the Chinese, American opinion was finally aroused. Western interests in China were now in danger. Chiang, too, began for the first time to fight back. Day after day the China war was splashed across the pages of the newspapers in America; dramatic newsreel shots of the bombing of Chinese towns were seen by millions of moviegoers. The Japanese sacking of Nanking in 1937, in which thousands of Chinese were slaughtered, revolted

<sup>12</sup> Dorothy B. Jones, *The Portrayal of China and India on the American Screen, 1896-1955* (Center for International Studies, M.I.T., October 1955), Appendix III, p. 36.

<sup>13</sup> R. L. Wilbur and A. M. Hyde, *The Hoover Policies* (New York: Charles Scribner's Sons, 1937), p. 600.

American opinion; and the sinking of the American gunboat *Panay* on the Yangtze River gave the first chill intimation that the United States herself might eventually be involved.

From this time on, the legend of Chiang as the heroic leader was immeasurably strengthened. Western hopes of noninvolvement were pinned on his capacity to resist the aggression of the Japanese. During 1938 an intensive campaign, inspired by missionary organizations and their friends, brought the war to the notice of the public. Committees were formed to boycott Japanese goods; to call a halt to our shipment of war material to Japan; to collect money for medical aid to China. Large advertisements appealed to the conscience and sympathy of Americans. Dispatches from the front were full of accounts that gave a vivid, but usually highly exaggerated picture of the fighting. The Chinese were "fighting against fantastic odds"; they "stood firm through long weeks while superbly equipped Japanese forces shelled and bombed them without cessation."

The flood of popular sympathy which these stories engendered was focused on the figures of Chiang Kai-shek and his wife. They became the very embodiment of all that was heroic, selfless, fearless. Articles in great profusion about them appeared in the press. Missionary and press propaganda concentrated heavily on

highly favorable accounts of the Chinese government and high Chinese officials . . . they have never failed to point with pride to the fact that a high percentage of the officials of the government have been educated in Christian institutions and that many of them are themselves Christians including Generalissimo Chiang Kai-shek. Madame Chiang has practically become a saint to them.<sup>14</sup>

*Time* Magazine named Chiang and Madame Chiang "Man and Women of the Year" for 1937.

But while Japan launched her great adventure without outstanding leadership, China, the victim of the adventure, has had the ablest of leadership. Through 1937 the Chinese have been led—not without glory—by one supreme leader

<sup>14</sup> "Missionary Influence upon American Far Eastern Policy," *Pacific Historical Review*, X (September 1941).

and his remarkable wife. . . . He is a salt seller's son, she a bible salesman's daughter. No woman in the West holds so great a position as Madame Chiang Kai-shek holds in China. Her rise and that of her husband, the Generalissimo, in less than a generation to moral and material leadership of the ancient Chinese people cover a great page of history.

In China no great moral stigma had commonly attached to graft. . . . For the colossal purchases Chiang had to make he could not afford the normal luxury of graft. To find someone he could trust to purchase war planes the Generalissimo turned at last in desperation to his own wife. She it was who pored over aircraft catalogs, dickered with hard-boiled wire salesmen, and is reported to have had several Chinese officials of her Air Ministry shot to reduce thieving. . . .

If Chiang Kai-shek and Mei-ling can maintain their will as China's will—the same will which said that "any sacrifice should not be regarded as too costly"—Chinese prospects are good.

This week an Associated Press correspondent "somewhere in the Yangtze Valley" . . . was permitted to flash that influenza had bedded the Wife of the Year, quoted the *Man of the Year* as saying: "Tell America to have complete confidence in us. The tide of battle is turning and victory eventually will be ours!"<sup>15</sup>

The peak of national heroine worship was not, however, reached until 1943 when Madame Chiang Kai-shek came to the United States to plead for more American aid. She had an enormous public success. To millions she appeared to represent in her slight figure all that was most noble, most virtuous, most self-sacrificing, most courageous in the Chinese. When she addressed the U. S. Senate, the Senators "rose and thundered" an ovation for her; and after she had spoken to the House of Representatives, *Time* reported, "tough guys wilted. 'Goddam it,' said one grizzled congressman, 'I never saw anything like it. Madame Chiang had me on the verge of tears.'"<sup>16</sup>

But by this time America was at war with Japan too. China was now our official ally. Thousands of GI's, OWI and OSS

<sup>15</sup> *Time*, January 3, 1938.

<sup>16</sup> *Time*, March 1, 1943.

officials, State Department representatives, Air Force crews, correspondents, advisers, "experts" of all kinds were swarming over China. For the first time Americans in large numbers were confronted with the facts. They were able to see for themselves how little the China legend, the image of Chiang's China fostered by the press and official apologists at home, corresponded to realities.

## Chapter 2

### DOUBLE EXPOSURE

(1941-45)

... The image-makers in their simple-minded enthusiasm had turned China at war into a movie set and had made the Chinese into plaster saints, including Generalissimo and Madame Chiang Kai-shek. But China was not a movie set and the Chinese were not saints, plaster or any other kind, least of all the Chiangs. This mythology could hardly survive any live experience, and its passing for many was quite painful.

—*Scratches on Our Minds*, p. 176.

**B**efore World War II ended, two hundred thousand GI's had become aware that the picture of China presented to Americans at home was grossly untrue. They arrived in China expecting to fight side by side with a people united and disciplined by five years of war. Instead they found a country of vast disorganization and disunity. Americans hoped that their military presence would be welcomed by a people struggling desperately against the Japanese. But they found themselves involved with greedy civil and military officials, brutalized policemen, and cynical bureaucrats living off a pauperized population.

The "valiant" Chinese army was not at all as pictured by the politicians and editorial writers at home, but a ragged, exploited army of conscripts with little spirit to fight for a regime which they had come to detest. Americans discovered quickly enough that Chiang Kai-shek was more concerned with maintaining his position than with fighting the Japanese; that his government was

corrupt, inept, and appallingly insensitive to the sufferings of its people. So little were the leaders able to arouse any widespread popular support that in order to recruit an army at all they were frequently reduced to rounding up young men in the villages and roping them together as in the days of the press gangs in Europe.

There were numerous descriptions of some of the "recruiting" practices which took place in wartime China written by Americans who were there at the time. William J. Lederer has written:

. . . as early as 1941 I personally have seen long lines of conscripts chained together on their way from their villages to training camps. . . .<sup>1</sup>

And the veteran wartime correspondent Jack Belden reported:

The basis of all conscription was graft, bribery and influence. Sons of the rich never entered the army; sons of the poor could never escape. An impoverished widow's only son was always drafted; the numerous offspring of the landlord, never.<sup>2</sup>

Two other American reporters—Theodore White and Annalee Jacoby—give us an idea of what conditions in Chiang's army were like during the Second World War:

China seethed from end to end at a recruiting drive that in brutality, callousness, and corruption matched the worst in her dark record. The suffering was made all the more pitiful by the pious protestations of the government that now at last all things were mending. So many bought their way out of the draft that village heads could not meet their quotas; in order to supply the requisite units of human flesh, organized bands of racketeers prowled the roads to kidnap wayfarers for sale to village chieftains. Army officials engaged in the traffic on their own, and they made no protest no matter how decrepit the recruits' health. In Chengtu a black-market recruit, a trussed-and-bound victim of the press gangs, was sold for \$50,000 to \$100,000 Chinese, the equivalent of the purchase price of five sacks of white rice or three pigs.

<sup>1</sup> *A Nation of Sheep* (New York: Norton, 1961), p. 44.

<sup>2</sup> *China Shakes the World* (New York: Harper, 1949), p. 338.

The Chinese did not fear to fight for their country; there was no deficit in patriotism. But they knew what recruiting camps were like. Government regulations could be read with a mirror. Officers were forbidden to mix sand with the rice they fed the recruits; they were forbidden to seize any clothes, baggage or personal possessions a conscript carried with him; they were forbidden to torture, tie up, or lock their recruits in barred rooms at night; they were forbidden to ask families of deserting recruits to pay for the uniforms and feed the soldier got at the induction center. Conditions in combat units were horrible, but by comparison to conditions in induction centers they were idyllic. Recruits ate even less than the starving soldiers; sometimes they got no water. Many of them were stripped naked and left to sleep on bare floors. They were whipped. Dead bodies were allowed to lie for days. In some areas less than 20 per cent lived to reach the front. The week that the stories of Belsen and Buchenwald broke in Europe coincided with the height of the conscription drive in China; the doctors who dealt with the recruit camp about Chengtu refused to be excited about German horrors, for descriptions of the Nazi camps, they said, read almost exactly like the recruit centers in which they were working. Near Chengtu one camp had received some 40,000 men for induction. Many had already died on the way; only 8,000 were still alive at the camp at the end of the drive. One batch of 1,000 inductees was reported to have lost 800 recruits through the negligence of its officers.<sup>3</sup>

And on all sides the Americans were cheated. Graham Peck, who was in China on the staff of the Office of War Information, wrote:

I think every American who came to Kuomintang territory on war duty has bitter memories of the do-nothing attitudes, and the profiteering which ranged from the prices the U. S. Army had to pay for air fields to the prices GI's were charged in restaurants.<sup>4</sup>

Peck spells out some examples of the fantastic profiteering:

<sup>3</sup> *Thunder Out of China* (New York: William Sloane, 1947), pp. 273-75.

<sup>4</sup> *Two Kinds of Time* (Boston: Houghton Mifflin, 1950), p. 387.

A trading company agreed to sell the SOS [Service of Supply] twenty bicycles for the equivalent of US \$700 each. Before they were delivered, the company told the SOS the bicycles had been bought by a Kweilin bank. Later the bank offered them to SOS for US \$1350 each.

A company contracted to sell SOS forty auto batteries at US \$450 each, delivery within five days. At the end of two weeks the company admitted the batteries had been sold to a bank, which later offered them to SOS for US \$750 each.

By oral agreement, SOS arranged to buy twenty-five alternators, at US \$8000 each, for an electrical factory in Kweilin. Two days later the plant told SOS that the price was now US \$12,000. SOS got other alternators from a firm in Hengyang. Later when it tried to buy more equipment from the Kweilin factory, its manager said SOS had broken one contract with them and "felt indisposed to fill any more American orders."<sup>6</sup>

A month or so after these incidents had come to light, Peck was invited to a dinner party for Lin Yutang (author of the best-selling *The Importance of Living* and other books on China). Lin was visiting his native land after an absence of so many years that wags said his next book about China should be called *The Importance of Living Somewhere Else*. He was, Peck reports, the object of bitter attack by most other Chinese writers for having avoided the tribulations of modern China. He was now back in his own country lecturing his people reprovingly, telling them that any criticism of the Kuomintang played into the hands of the Communists.

When I talked to him about profiteering in Kweilin, he sounded very official. . . . "No wonder the young Americans get in trouble" he said in effect. "They have no understanding of Chinese life or culture. . . . I suggest they do their business through authorized government organizations." When I told this to the SOS officers they blew up. "Sonof-a-bitch" said one. "We didn't think we ought to mention it but those banks we talked about to the press are all Chinese government outfits and the companies we have

<sup>6</sup> Ibid., p. 515.

most trouble with are government-controlled. The private firms give us a much fairer deal. We used to ask for government help in buying, but we found the bastards were just using our information to screw us some more. How's that for culture?"<sup>6</sup>

Peck gives a bitterly memorable description of Madame Chiang's return to China after her triumphal visit to Washington, where "grizzled congressmen," so moved by her speeches, almost wept.

. . . She must have known enough about conditions in China to be conscious that her American triumph was based on fraud. When she returned to China, she seemed to have become a pathologically pretentious woman who, under the surface, was so distraught, uneasy, and at odds with herself that she could no longer make much sense either on the political or personal level. . . .

She was travelling in an American plane. . . . She had been loaned some cargo ships for her baggage, and at the Assam field her things had to be transferred to other planes to go over the Hump. This was done in a rather remote part of the field and the GI's who were doing it happened to drop one crate. It split open and its contents rolled out . . . it was full of cosmetics, lingerie, and fancy groceries with which Madame Chiang planned to see herself through the rest of the war. The GI's were furious, for this was one of the times when the Hump transport was in a bad state, with many American fliers losing their lives to get war supplies to China. The soldiers dropped and broke all the other crates they transhipped. When they had kicked every fur coat and trick clock around in the dust as thoroughly as time would permit they threw the mess into the waiting planes.<sup>7</sup>

At home in America, these stories never reached the public. Not, that is, until the war was almost over. The myth was maintained. Chiang and his wife continued to be the embodiment of heroism.

On the official level, of course, the U.S. government was well apprised by its representatives about the real conditions in China.

<sup>6</sup> Ibid., p. 517.

<sup>7</sup> Ibid., pp. 477-78.

In February 1942, the head of the first American military mission to China, Brigadier General John A. Magruder, was reporting to Washington as follows (a report not made public until after the war):

... referring to the marvelous achievements and abilities of the Chinese army. Such reports are absolutely without foundation. ... China's military successes are being highly exaggerated by what is being given out in American newspapers. ... There is grave danger that such continued distortions of fact as to the prowess of China's military forces are spreading about a false sense of security. ... Such propaganda could lead to grave defects in American war plans, if our own officials should be influenced by it even to the slightest extent.<sup>8</sup>

And, in July, from the American Ambassador in China, Clarence Gauss, came the following (also not published until after the war):

... It is unfortunate that Chiang and the Chinese have been "built up" in the United States to a point where Americans have been made to believe that China has been "fighting" the Japanese for five years, and that the Generalissimo, a great leader, has been directing the energetic resistance of China to Japan and is a world hero. Looking the cold facts in the face, one could only dismiss this as "rot."<sup>9</sup>

In the very month that this report was received from Ambassador Gauss, the Secretary of State issued a widely publicized message to Chiang:

The American people have watched with deep sympathy and admiration the heroic fortitude and tenacity with which for five long and bitter years the Chinese have fought on against heavy odds.<sup>10</sup>

Wendell Willkie visited China during his wartime whirlwind tour around the world. He, too, added his influence to the myth. His brief visit (wrote Peck),

<sup>8</sup> Foreign Relations of the United States, Diplomatic Papers, China, 1942.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

summed up the character of the Chinese capital in 1942 with gaiety and comedy in appearances and tragedies just under the surface, with fine words being spoken about the war and the peace to follow, while both the war and the peace were already being shaped by forces not so mentionable.

... never before—not even for the great friend of the Kuomintang, Henry Luce—had surface saving and face-making been attempted on such a scale. Long before Willkie's arrival, the police tore down the worst of the pauper's shacks in the suburb where he was to stay; naturally the squatters were not paid for the homes they lost. In the last few days before he came, the police herded out of the city any beggars and peddlars who looked too wretched to be a credit to the capital of a modern democracy—a great disaster for people who led such a hand-to-mouth existence. ...

I saw nothing of the later Willkie shenanigans except a plunging of cars through downtown streets. ... He was kept so busy with banquets, inspection tours and interviews that ... thoughtful interpretation and analysis were almost impossible. And everywhere he went, the things he saw and the people he talked to had been carefully prepared to make a favorable impression.

... Concerning China [in his book *One World*] Willkie presented opinions which can now be seen as a disservice to America and China ... his view was almost exactly what the Kuomintang wanted and had so briskly arranged to get. He used his prestige to preserve the old propaganda picture ... the heroic wartime West and the New China building; the well-trained and loyal armies which needed only arms and air support from America to win; the monumental Generalissimo, his charming Madame, and all the rest of it.<sup>11</sup>

The U.S. all this time, of course, was pouring billions of dollars into China for military and financial aid. In 1942 gold was shipped to Chiang's government as part of a \$500 million Treasury loan. A memorandum to the President from Secretary of the Treasury Morgenthau (not published until after the war) provides an insight into how such funds were used and why they were able to do

<sup>11</sup> *Two Kinds of Time*, pp. 428–30.

so little to help the Chinese people. Most of this loan apparently was sold on the black market for the benefit of officials in the know:

The Chinese Government issued gold and dollar securities for *yuan* [the Chinese currency] setting aside \$200 million of the aid granted by this country for the redemption of the securities. (These securities were sold at an exorbitant profit to the buyers.) I believe the program made no significant contribution to the control of inflation.

. . . China could use these funds in selling gold or dollar assets for *yuan* although in my opinion such schemes in the past have had little effect except to give additional profits to insiders, speculators and hoarders. . . .<sup>12</sup>

It is an extraordinary testimony to the power of the "Chiang legend," and to the effectiveness with which it was being maintained in America, that an experienced foreign correspondent such as Leland Stowe should arrive in China and be so profoundly disturbed by what he saw. A certain skepticism is part of the essential equipment for any newspaper correspondent, as well as a sophistication that doesn't allow official statements to be taken at face value. But the conditions of China had been so inaccurately presented in the U.S. press that even as shrewd a reporter as Stowe could be appalled at what he found, when he went to China in 1941, just before Pearl Harbor.

Few disillusionments of mine had ever been greater or more acid than this which I suffered behind China's front.

I discovered that my vision, like that of almost all Americans, had been seriously blurred by my enthusiasm for the Chinese people's magnificent and incredible resistance to Japan. Somehow you did not pause to reflect that people who fought on and on so marvelously could still be handicapped or betrayed by corruption, selfishness, or indifference among a considerable portion of their governing class. . . .<sup>13</sup>

<sup>12</sup> *United States Relations with China*, Department of State, 1949, p. 489. Henceforth this will be referred to as Department of State "White Paper," the name by which it is commonly known.

<sup>13</sup> *They Shall Not Sleep* (New York: Alfred A. Knopf, 1944), p. 4.

After a struggle with himself, Stowe eventually decided to report what he had found, although he "knew it would come as a tremendous shock to an American public which had come to look upon all Chinese as Sir Galahads and patriots."<sup>14</sup>

It was obvious to those in China that Chiang was more concerned with resisting the growing strength and influence of the Communist Party than he was in fighting the Japanese. Over and over again it was the Communist army that took the initiative against the invading Japanese, and the reluctance of Chiang to engage his army fully against the invaders only further diminished his popular support.

. . . Increasingly it had become apparent that the Chinese war effort had largely ceased to be an effective factor in China and that to a disturbing extent the Chinese will to fight had vanished. The main Nationalist effort was being concentrated on containment of Communists in the north and in internal political squabbles in Chungking [the war-time capital]. . . .<sup>15</sup>

With the real truth about conditions in China known to official Washington (though not by many of the American people), all thoughts of using Chiang's army for a major military operation against the Japanese were indefinitely shelved.

There were Americans in high places who knew the true conditions in China and tried to do something to correct them. One of these was General Joseph Stilwell, who had been sent to China to be Chiang's Chief of Staff. General Stilwell never lost his confidence that the Chinese would make good soldiers if they were properly treated, effectively led, and given something to fight for. But less than a month after his arrival, he was writing in his diary:<sup>16</sup>

What a commentary on the Chinese general staff—no preparations, no concern, they just sit and let me go to it. Through stupidity, fear and defense attitude they lost a grand chance to slap the Japs back at Toungee (Burma). The basic reason is Chiang Kai-shek's meddling. . . . I told

<sup>14</sup> Ibid.

<sup>15</sup> Department of State "White Paper," p. 66.

<sup>16</sup> Chicago Tribune Press Service, *San Francisco Chronicle*, March 3, 1963.

him in plain words . . . the (Chinese) army and division commanders had failed to obey and I had insufficient authority to force them to obey. . . . They are chislers and grafters. . . .

Chiang Kai-shek has been boss so long, so many yes men, he has the idea he's infallible on any subject. . . . It is patently impossible for me to compete with the swarm of parasites and sycophants that surround him.

That was on March 21, 1942.

On May 10, Stilwell was writing:

C.K.S. double-crossed me at every turn the —<sup>17</sup>

On June 15:

C.K.S.'s ignorance and fatuous complacency are appalling, the little dummy.<sup>18</sup>

But it wasn't only the little dummy that bothered General Stilwell. On March 4, 1943:

The Chinese Red Cross is a racket. Stealing and sale of medicine is rampant. . . . Higher-ups in army steal soldiers' food.<sup>19</sup>

As we shall see, Chiang Kai-shek's partisans and friends in America were by this time well established and were able to exert a very powerful influence upon America's China policy.

Informed of Chiang's insistence that he be recalled, Stilwell noted in his diary (October 3, 1944):

C.K.S. said that I refused to obey orders. The real reason is that I knew too much about conditions.

On October 19 Stilwell was relieved of his command and recalled to the United States. Thus, for all intents and purposes, ended the career of one of America's finest soldiers.

With Stilwell's dismissal, there was some protest. On October 31, 1944 the *New York Times* printed a dispatch from its correspondent Brooks Atkinson, who said that the removal of General Stilwell represented in China

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

the political triumph of a moribund, antidemocratic regime that is more concerned with maintaining its political supremacy than in driving the Japanese out of China . . . relieving General Stilwell and supporting his successor has the effect of making us acquiesce in an unenlightened, cold-hearted autocratic political regime.

But the few and isolated reports from men such as Leland Stowe and Brooks Atkinson could do little to awaken the American people, so deeply and consistently had the "Chiang legend" been impressed upon their minds.

While the legend of Chiang was maintained for public benefit, Washington was receiving accounts of the growing disillusionment of the people and the mounting popularity of the Chinese Communists. Civil war was now reported as a probability. A series of assessments by experienced Foreign Service officers were warning the government of what might be in store.

One such report was made by John P. Davies, Jr. Dated November 7, 1944, it was not made public until 1949:

Only if he is able to enlist foreign intervention on a scale equal to the Japanese invasion of China will Chiang probably be able to crush the Communists. But foreign intervention on such a scale would seem to be unlikely. Relying upon his dispirited shambling legions, his decadent corrupt bureaucracy, his sterile political moralisms and such nervous foreign support as he can muster, the Generalissimo may nevertheless plunge China into civil war. He cannot succeed, however, where the Japanese in more than seven years of determined striving have failed. The Communists are already too strong for him.

If the Generalissimo neither precipitates a civil war nor reaches an understanding with the Communists, he is still confronted with defeat. Chiang's feudal China cannot coexist along with a modern dynamic popular government [the Communist Government] in North China.

The Communists are in China to stay. And China's destiny is not Chiang's but theirs.<sup>20</sup>

(Never were truer words written; but for this honesty in appraising events in China as they really were, Davies was later to pay

<sup>20</sup> Department of State "White Paper," p. 573.

heavily during the McCarthy period, and in 1954 he was dismissed from the Foreign Service.)

Routine official hypocrisy we will always have, especially in time of war. But this consistent misleading of the American public about the situation in China went far beyond the routine, and far beyond what the necessities of war required. The people of America have a right to feel indignant that they were so misled and with consequences that have been so momentous.

With no protest from the press, indeed with the active assistance of the press, the nation was presented with an account of the war in China that was preposterously unreal and which the government from its official reports should have known was unreal. A picture was painted of Chiang and his wife which concealed the true character of the regime and the wretchedness of the people who suffered under it. The grossly exaggerated claims made on behalf of Chiang and his "heroic struggle" hid from the American people the angry determination of the Chinese people to bring an end to Chiang's social system—to root it out at whatever cost. The information we were given left us as a nation quite unprepared for the depth and force of the hatred which Chiang had engendered among his own people and which finally brought him to defeat.

Those few who warned us were suspect. Some, like General Stilwell, were publicly repudiated and dismissed. And most ironic of all, our official uncritical support for Chiang only enlarged the scope of his ineptitudes and tyrannies by silencing the critics among his own countrymen who might otherwise have ameliorated the worst features of his rule.

After the Japanese defeat, Chiang ruled China for less than five years before his collapse and retreat to Taiwan. These years saw the final corrosion of a whole social system. For a few years, mostly between 1947 and 1949, press reports out of China revealed some of the causes of this corrosion—corruption, graft, nepotism, inefficiency, and military bluster. Books by long-time China correspondents such as Belden, White and Jacoby, Peck and others, probed deeply into the nature of the coming collapse of the Kuomintang.

Thus, for a brief period before his defeat, the "Chiang legend" in America was deeply stained. Some of Chiang's supporters still felt that the Generalissimo was not too greatly to blame, that he was the victim of historic forces beyond the control of any single man; or that he was betrayed by a small group of corrupt and grasping politicians. Some clung to the belief that it was lack of real support from America that betrayed him. While each of these causes may have contributed to his final downfall, the real root of his failure lay within himself.

Chiang could not understand the revolution whose creature he was except as something fearful and terrible that had to be crushed. He had every favoring grace on his side—the support of powerful allies, the cause of justice, and in the beginning the wholehearted and enthusiastic support of all his people. The people whom he led felt instinctively that this war against Japan was a war against the entire rotten fabric of time-worn misery. When Chiang tried to fight the Japanese and preserve the old fabric at the same time, he was not only unable to defeat the Japanese but powerless to preserve his own authority. His historic enemies, the Communists, grew from an army of 85,000 to an army of a million, from the governors of 1,500,000 peasants to the masters of 90,000,000. The Communists used no magic; they knew the changes the people wanted, and they sponsored those changes. Both parties lied, cheated, and broke agreements; but the Communists had the people with them, and with the people they made their own new justice.<sup>21</sup>

Of all this the American public were almost to the end kept in ignorance.

Conditions of disaster, hunger, and squalor had for so long been an accepted and normal part of our news from China that it never occurred to anyone to lay the blame for these on Chiang. But in the last few years of his rule the truth from China was at last being reported. The curtain for a short time was lifted. And looking through the pages of our newspapers of those years, we can recapture the dreadful realities of Chiang Kai-shek's China.

<sup>21</sup> *Thunder Out of China*, Introduction, pp. xv-xvi.

### Chapter 3

## CHIANG'S CHINA

—the Communists cannot meet the genuine needs and desires of the Chinese people for economic and social progress.

The President . . . noted that in contrast with the disregard for human rights manifested by the Chinese Communist regime, the record [of Free China] was accomplished without violence to the great traditions and human values which have been cherished throughout history by the Chinese people.

—*Communiqué issued by President Kennedy and Vice-President Chen Cheng of Nationalist China, August 2, 1961.*

With these words, President Kennedy, like all Presidents since 1949, added his support to a myth. Chiang Kai-shek is identified with freedom and humanity and the historical tradition of China as against the ruthless dictatorship of the present regime.

Chiang, of course, helps this myth along with his annual promises to “regain” freedom for his people on the mainland. Editorials, articles by “experts,” news analysts, and so on, have also helped preserve it. It is only Chiang—so the line goes—who can restore “human dignity” to his people. As recently as mid-1963 newspapers were still talking about “restoring” China to the free world.

*Since 1949 mention has seldom been made of what China was really like under Chiang's rule.*

And for this very good reason. If we wish to delude ourselves

that Chiang represents freedom and democracy, we must not remind ourselves about his past.

Here are some of the facts, and the press did report them.

Chiang started his political life as a close associate of the Russian Communists. In the early twenties he went to Moscow to “meet Lenin, Trotsky and Chicherin, to study Bolshevik strategy, ideology, and revolutionary technique, and to seek aid of a material nature from Moscow.”<sup>1</sup>

By 1927 the growing appeal of the Communist movement in China had begun to alarm the bankers and the powerful commercial interests in Shanghai. They offered Chiang a deal. They would finance him and support his political aspirations if he would eliminate his Communist colleagues and break the Communist Party. Chiang accepted. Without warning, his troops turned on their former associates and savagely butchered tens of thousands of them. The “free China” of Chiang Kai-shek, representing “the great traditions and human values” of Chinese history, came to power on the wave of some of the most bloody political reprisals.

Canton has been quite aptly described as a “city of the dead” since the suppression of the Communist peasant and labor uprisings of Sunday.

Photographs confirm the ruthless slaughter that occurred. There are pictures available of trucks loaded with bodies, piled three and four deep, as they were driven through the streets to burial places.

Long rows of bodies on pavements provided gruesome evidence of the vengeance wreaked upon those suspected of Communist leanings when the Nationalists recaptured the city later in the week.

—*New York Times, December 12, 1927.*

That is how Chiang's “free China” began; that is how it continued to the end.

Time goes by quickly and memories fade. Today in our news-

<sup>1</sup> H. F. MacNair, *China in Revolution* (University of Chicago Press, 1931), p. 99.

papers and magazines we see the aging Chiang smiling benevolently for the photographers. It is difficult to recall that under this man's rule millions were killed and a whole social system went to pieces. To go back as I have done, to read the newspaper reports from China during the days of Chiang's control, is to look into a world of darkness and terror and vast human suffering, matched by a callousness and disregard for human welfare that is staggering. It only needs a glance at a few headlines, a few reports, to give us a glimpse into the realities of Chiang's China.

THE NATIONALIST TROOPS ARREST  
DROVES, ROPE WOMEN TOGETHER AND  
TERRIFY HOSPITAL PATIENTS.

. . . stringent methods are being used to see that every suspicious character, man, woman or child, is placed in custody. Gruesome tales continue to permeate through from Canton. . . .

—New York Times,  
December 16, 1927.

PEOPLE OF SHANTUNG STARVE  
AS ARMY PREYS ON PROVINCE

Famine stricken residents of Shantung province, where babies are selling for a dollar apiece while their parents eat bark from trees to sustain life. . . .

and a subhead

LITTLE INTEREST SHOWN BY WEALTHY CHINESE

—San Francisco Call,  
April 22, 1928.

MILLIONS FIGHTING FOR LIFE IN CHINA  
CONDITIONS IN REFUGEE CAMPS OF FLOODED  
DISTRICT ALMOST BEGGAR DESCRIPTION.  
HEAVY DEATH TOLL FEARED.

Conditions in some of the refugee camps . . . have been revealed by official reports are, in the main, tales of such

horror as cannot be read without a shudder. . . . 20,000 people (in an area on the outskirts of Hankow) fully half of whom are sick, have no place to sleep except upon the soggy ground. Flies are almost as thick as swarming bees. Most of the sick people are suffering from dysentery, and there is no water to drink except what can be dipped from the river and this is stagnant and foul. . . .

—New York Times,  
October 11, 1931.

CHOLERA KILLS 150,000 CHINESE

—New York Times,  
September 7, 1932.

NEW NANKING LAW FREES CHILD SLAVES

The new anti-slave statute is recognized, even by the Chinese-language press, as merely another of the idealistic enactments so frequently promulgated by the Nanking [Chiang Kai-shek] Government. With virtually all of the provinces and cities unable to pay operating expenses, and with thousands of schools already closed because there is no money to pay the teachers, there is no money available for the founding of institutions to care for the ex-slaves even if they could be set free.

. . . always on the verge of starvation, there seems to be no way to prevent parents from selling their children into slavery. . . . Since only the well-to-do can afford to keep slaves, the children are probably better off than they would be if they had to starve in the mud huts of their parents.

—New York Times,  
October 2, 1932.

30,000 CHINESE SLAIN IN MOSLEM REVOLT

. . . at least 30,000 Chinese in Northwestern Kansu province had been massacred . . . by roving bands of Moham-medans attempting to start a revolution against the Nationalist Government.

—AP, December 28, 1932.

## 36,704 DEAD CHINESE FOUND IN SHANGHAI

Bodies Buried Last Year by Public Benevolent Society Included 33,616 Infants.

—New York Times,  
March 19, 1933.

In 1935, twelve million were suffering from famine in eight provinces, the victims being reduced to eating bark and roots. And in 1942:

Chinese are dying by the thousands in the battlefield province of Honan where 6,000,000 persons are reported to be on the verge of starvation as a result of one of the worst famines in modern times, missionaries and Chinese officials reported yesterday. . . .

Some 18,000,000 have become famine refugees, and the roads from Honan to Shensi and Hupeh provinces are strewn with the dead and dying. Many are eating grass and the bark of trees and selling their children to persons who can care for them, or leaving them to starve.

"Missionary reports give a stark tragic picture of thousands of stupefied refugees moving along roads in a hopeless search for food and shelter who are likened to a locust scourge as they sweep through drought villages and cause the villages to join them in their tragic trek." writes Harrison Forman of the *New York Times*.

—San Francisco Call,  
October 1.

In 1943 Honan was hit again, with more than a million dying and five million reduced to eating grass, straw, and certain kinds of earth. In 1944, two million were starving in Hupeh province.

Year after year, in one area or another, catastrophe would overwhelm the lives of millions—and the government did nothing. We should not minimize Chiang's problems, they were heavy and complex. After 1938 the Japanese were occupying a large area of the country; the Communists gradually came into effective control of sizable areas of the north and northwest—and they were appealing to an ever-increasing number of adherents. Chiang was handicapped also by the sense of his own "indis-

pensability" and his determination to have around him men distinguished for nothing but their unquestioning obedience. China's perennial disasters appeared in Chiang's eyes to be an immutable law of nature. Drought and flood, death and disease—that was China's fate. It had always been so. No vision of a new China emerging could energize him or communicate itself to his followers—a China that with the united efforts of her people and with the aid of modern technology might finally overcome her immemorial destiny of suffering.

Chiang's weaknesses were by now well known. His incapacities were blatant and obvious. The ineptitude of his regime was there for all to see. And yet, extraordinary though it may be, the "Chiang legend" continued to exert its spell. Even as shrewd and careful a politician-observer as Congressman (now Senate Majority Leader) Mike Mansfield, who was sent to China by President Roosevelt toward the end of World War II, failed to grasp the depth and extent of the hatred for Chiang that was developing in China; or that his eventual downfall was only a matter of time. Chiang was still China.

Reporting to Congress on his return, Mansfield said he thought the Generalissimo's "newly reorganized Government showed promise of accomplishing sorely needed reforms."

Chiang is the one man who can make Chinese unity and independence a reality. His faults can be understood when the complexities of the Chinese puzzle are studied . . . and they are no more uncommon than the faults of the other leaders of the United Nations. We are committed to Chiang and we will help him to the best of our ability. He, and he alone, can untangle the present situation because in spite of some of the things he has done he is China.<sup>2</sup>

With the defeat of Japan in 1945 there was a brief period of optimism. British and American businessmen bustled back to Shanghai to reopen their offices and resume their trade. T. V. Soong, Madame Chiang's brother, was in charge of financial administration and the exchange rates set by him enabled these

<sup>2</sup> *Time*, January 22, 1945.

foreign enterprises to make enormous profits for a year or two. Large assets (mostly derived from U.S. aid) had been accumulated in China during the war and generous amounts of foreign exchange were granted for the importation of consumer goods, largely from the United States, and mostly luxury or semi-luxury goods for the wealthier people in the port cities. As China's post-war exports were negligible, this policy resulted in a heavy adverse balance of trade and eventual national bankruptcy.

While it lasted it was good. It was almost like old times.

But it wasn't like old times. For the Chinese by now had had enough. China was getting ready to rid herself once and for all of Chiang and all his gang.

The Chinese are essentially conservative by nature. Once established, a leader in China can count on the support of the people who will give him their loyalty unless he very clearly demonstrates by his ineptitude and injustice that he has forfeited the "mandate of Heaven." For millions Chiang was the national leader, they accepted him as the symbol of national unity. But more and more Chinese were in their hearts deciding that Heaven was no longer on his side.

Just when it was that the people's loyalty to Chiang began to crumble it is difficult to say. By the end of 1943 there was open discontent within his army; but the extent of this disaffection was minimized because of the greater menace of the Japanese.

The peasants too had their fill of Chiang Kai-shek's government by 1944. His picture hung in government offices in every village, and his name was still a magic symbol, but the men who did his will among the peasants were hated and excoriated. As early as 1942 reports of peasant uprisings began to seep into the capital. These reports—half gossip, half fact—came from everywhere, from areas remote from Communist influence. Discontent was spreading through the hundreds of thousands of villages still under Kuomintang administration.<sup>8</sup>

And it was not only among the peasants . . .

. . . The universities were suffering the heavy hand of the "te wu," the special secret police of the regime. Sudden

<sup>8</sup> *Thunder Out of China*, p. 131.

and secret arrests, mysterious disappearances, assassinations, a covert reign of terror prevailed in academic circles. Students were suspect, professors watched, freedom of thought, of publication and of speech suppressed. In so far as the choice between totalitarian and democratic government was concerned, it did not exist; the Chinese people groaned under a regime Fascist in every quality except efficiency. The Kuomintang had long lost the peasants; now they had cast away their only asset, the support of their scholars. . . .<sup>4</sup>

The civil war between Chiang and the Communists that followed Japan's defeat can now in retrospect be seen as historically inevitable. And its outcome, too. But at the time the Communist cause appeared hopeless. Chiang, it was thought, could deal with the Communists now that the Japanese were no longer there. His armies were large and well equipped with American weapons. And at first things went well.

Everywhere Chiang had victories. With the aid of American ships and planes, he quickly transported his best troops to all the large cities of North China and Manchuria while Red guerrillas raged at the gates. With ridiculous ease he cleared the countryside around Shanghai and Nanking and drove the vaunted Communist troops north of the Yellow River. "The Communists are babies; they don't know how to fight," said one Kuomintang officer. "The war will be over in three months," Chiang's top-ranking generals declared. American publications echoed these sentiments. . . .<sup>5</sup>

The optimism was soon spent.

Now in 1946 the tune changed. And, ironically enough, it was *Time* with an article on June 10, 1946, which was one of the first to confront the American public with some of the unpleasant facts.

#### BAD GOVERNMENT

. . . the news from China was bad—appallingly bad. China was hurtling into economic disaster and political anarchy. Its

<sup>4</sup> C. P. Fitzgerald, *Revolution in China* (New York: Frederick A. Praeger, 1952), p. 103.

<sup>5</sup> *China Shakes the World*, p. 9.

causes: (1) *Communist rebellion*; (2) *failure of the U.S. to send enough prompt aid*; (3) *the corrupt inefficiency of the National Government*. . . .

The most important truth about China is that hardly anybody in China seems to have any faith in the ability of the present Government to run the nation wisely, well or honestly.

Economically, China is decadent, living by an incestuous economy in which public officials sanction, if they are not leaders in, all depraving business practices of the day. It is an economy of printing-press inflation and Government-supported black markets. The inflation's effect on national morale was seen today in Nanking, when China's Supreme Court judges decided to strike for higher wages. They asked the Government to raise the basic pay of civil servants 1,000 times. . . .

The question finally starting to bother Americans in China is "sovereignty for what?" The sovereignty so far is one of greed, ineptitude and Government preserved by force. . . .

An ardently anti-communist American lawyer in Shanghai remarked to me the other night: "The Government is not a government. It is a dirty, venal lot of officials, trying to get what they can while the getting is good. . . ."

The Kuomintang has the military power to preserve itself now, but it cannot forever hold the lid on 400,000,000 unhappy people. If the Americans cannot somehow bring a liberal revolution within the Kuomintang, then it had better clear out. . . .

The present Government has been dissipating, selfishly and with utter callousness, American supplies and money. . . .

That was *Time's* account of Chiang Kai-shek's China in mid-1946.

In 1947, conditions were worse and by the end of that year Americans in China were complaining that business conditions were more and more impossible.

In that year, also, there occurred an event that illuminated, for a short and ghastly moment, the character of Chiang and his regime.

When Taiwan was liberated from the Japanese in 1945, the people there greeted their reunion with the mainland with immense enthusiasm. The islanders were very quickly disillusioned.

Beset by a carpetbagging administration, they found themselves virtually excluded from all government posts, which were given to Chiang's friends from the mainland. And here, as on the mainland, smuggling and black marketeering began to be widespread. Health services, which had been excellent under the Japanese, broke down under Chiang's inefficient rule. Cholera epidemics broke out for the first time in thirty years.

Resentment against Nanking's dictatorial regime became more and more intense. In March 1947 it broke out in widespread demonstrations. The government initially prevented general disorder by agreeing to several "temporary demands"—at the same time secretly sending troops over from the mainland. On March 9 the "Formosan Massacre" began. For nine days Kuomintang troops poured onto the island to take part in a brutal and prolonged attack against defenseless people.

The official account of the massacre, made by the American Ambassador J. Leighton Stuart (printed in full in the State Department's "White Paper," pp. 926-38), makes sickening reading. According to Stuart, on March 8 a Nationalist military commander on the island agreed that "the demands for political reforms in this province are very proper."

Continuing, the White Paper reveals: "Beginning March 9, there was widespread and indiscriminate killing. Soldiers were seen bayonetting coolies without apparent provocation in front of a Consulate staff residence."

Ambassador Stuart's report describes the systematic search and beheading of high school students; the machine-gunning of civilians, the numberless bodies floating in the harbor ("during the end of March and the first part of April. . . . The continuing presence of fresh bodies in Keelung Harbor and other evidence indicate that the elimination of the informed opposition is continuing"), the shots and screams that were heard at night . . .

That was an example of how Chiang Kai-shek dealt with those who asked for "very proper" reforms.

By 1948 American disenchantment with Chiang and his regime was virtually complete—with the exception of the extreme

right wing.<sup>6</sup> On May 21, 1948, *U.S. News & World Report* expressed what many others had finally come to understand:

The Kuomintang Party Government of Chiang consists exclusively of landlords, propertied war-lords and generals of one military clique or another, bankers who profit from wartime speculation and professional politicians vying for power.

As 1948 neared its end, *Business Week*, on November 20, carried an article by a correspondent in Shanghai who wrote:

Over the years Chiang has alienated almost every economic group in China—peasants, labor, businessmen, and even his own soldiers. He has refused to undertake land reforms, has been unable to establish a sound currency, and is leader of an incompetent and graft-ridden civil administration and army. All these things have combined to deliver China into the waiting arms of the Communists.

The correspondent went on to report that some longtime residents in China—both businessmen and diplomats—hoped for something like the following five-point program for a new U.S.-China policy:

- "1. Use what's left of ECA funds for food relief wherever necessary.
2. Tell Chiang that he is finished, and that the U.S. is finished with him.
3. Make contact with the Communists as they take over, to see whether it is possible to do business with them. If so, begin trading.
4. Maintain similar contact with non-Communist areas, but keep relations on a strictly commercial basis.
5. Create a fund to finance legitimate reconstruction projects on a non-discriminatory basis. This fund should be held ready pending evidence of a sincere Communist desire to play ball."

<sup>6</sup> The period of disenchantment did not last long. Soon after Chiang's defeat and flight to Formosa in 1949, the very journals who had been most critical of him once more began to speak of him as "representing the real China," and encouraging the popular belief that the masses in China would welcome his return.

Thus, even some of the more conservative American observers finally had come at last to see what had been obvious to many in China for years.

It has become popular today to describe China falling to the Reds by default—a picture of a war-weary people ready to accept anything in place of the last chaotic days of a victimized and ineffectual Nationalist Government. Whatever element of truth this simple interpretation of the Chinese Revolution has, it fails to look at the causes of the revolutionary tide which was overwhelming China by 1949.

Some idea of what had caused the sweeping away of Chiang Kai-shek and all that he represented is to be found in the words of Jack Belden, a man who looked at China from his own experience—not only in the port cities, but among the peasantry in the vast hinterland:

... Where Chiang Kai-shek had been successful previously in maintaining his rule over the Chinese people, it had been because the despair and the hate of the masses had not been sufficient to stir them out of their traditional apathy. When new conditions arose and the peasantry rose angrily with them, it was necessary that Chiang Kai-shek try to understand both the conditions and the emotions of the peasantry. He failed in both respects; in fact, he did not even try to understand the hearts of his own people. That is part of the inner history of Chiang Kai-shek's defeat and it is also part of the history of American policy in China. Neither the American government, the American press, nor the American people, nor many of their representatives in the Far East in the embassies, the military establishments and the business offices sought to look beyond their own narrow or personal interests toward the heart of the admittedly ignorant, but terribly emotional, bitter men and women of China.<sup>7</sup>

To suggest, as some of our leaders and press have continually suggested since 1949, that Chiang Kai-shek embodies all that is best in Chinese culture and tradition, is a grotesque distortion.

It is an insult to the Chinese people, most of whom loathe

<sup>7</sup> *China Shakes the World*, p. 5.

his name. It is an insult to Chinese culture and tradition. And it is an insult to the intelligence of Americans who know the facts.

How did it come about that the United States within a brief time after his defeat could once more be supporting a man so thoroughly discredited? And be backing him with all the moral, military, and financial influence of our great nation?

To find the answer we must recall the emotional climate of those days and look, however briefly, at a powerful group of Chiang's partisans in America who became known as "the China Lobby."

## Chapter 4

### THE CHINA LOBBY

No one who knows anything about the way things work here doubts that a powerful China lobby has brought extraordinary influence to bear on Congress and the Executive. It would be hard to find any parallel in diplomatic history for the agents and diplomatic representatives of a foreign power exerting such pressures—Nationalist China has used the techniques of direct intervention on a scale rarely, if ever, seen.

—Marquis Childs, *Washington Post*,  
May 5, 1950.

I had forgotten, until I re-read the newspapers of that period, the extent to which Chiang Kai-shek had forfeited the confidence of some of his staunchest supporters in America. I have already quoted the scathing reports by *Time* and *U.S. News & World Report*, and the article in *Business Week* reporting a suggestion that we "Tell Chiang that he is finished, and that the U.S. is finished with him."

One result of this wide disillusionment with Chiang was that by early 1950 an increasing number of influential voices were openly urging the recognition of Communist China, and (until the Korean War altered everything) it was generally taken for granted that the new Chinese government, rather than Chiang's group, would represent China in the United Nations.

Secretary Acheson has again assured Secretary-General Trygve Lie that the United States will not use its veto power to

keep Communist China out of the United Nations. This has been our government's position from the start of the present controversy . . . we have at all times been willing to abide by a majority decision of the Security Council as to who shall represent China in the U.N.

—New York Times, editorial,  
May 31, 1950.

Even John Foster Dulles, that arch foe of Communist China, in his book published in 1950, wrote:

If the Communist Government of China in fact proves its ability to govern China without serious domestic resistance it, too, should be admitted to the United Nations. . . .

Communist Governments today dominate more than 30 per cent of the population of the world. We may not like the fact; indeed, we do not like it at all. But if we want to have a world organization, then it should be representative of the world as it is.<sup>1</sup>

Only by recalling these attitudes prevailing before mid-1950 can we grasp the magnitude of the change that later took place in public sentiment toward China.

What caused such a tremendous shift of public opinion? In whose interests was it that such a change should take place?

With the loss of the mainland, Chiang Kai-shek became wholly dependent on the United States. From that moment he was a leader without a constituency, a head of state without a country. From then on, his regime had to play at being a great power though it had no power of its own. Chiang Kai-shek had lost his war in China. But one more battle confronted him, and the battlefield this time was in the United States. Chiang's very survival depended on his success in persuading Congress, the Executive, and the American public that it was in their interests to give him money, moral support, and military equipment.

This battle in America he won decisively.

Chiang had two circumstances in his favor. The first: that however rotten his own regime had become, the only alternative gov-

<sup>1</sup> *War or Peace* (New York: The Macmillan Company, 1950), pp. 190-91.

ernment in China was a Communist government. This made it easy for Chiang and his friends to complain that any criticism of the Nationalists was only aiding the Communists. It is only a small step from that to charge that those who voiced such criticism must themselves be Communist sympathizers.

The second circumstance in Chiang's favor was that he had already set up in America a well-financed group of Chinese officials and a number of paid agents who for nearly a decade had made it their business actively to promote the interests of the Nationalist government. Around these representatives and paid agents under Chiang's control, there had gathered an assortment of Americans who for a variety of reasons had sponsored Chiang's cause, and who now, at the moment of his defeat, were more passionately his partisans than ever.

It is not my intention to deal at great length with the activities of the pro-Chiang groups, which collectively have been known as "the China Lobby." But no understanding of our present relations with China is possible without some knowledge of the immensely powerful, usually secret pressures that this lobby was able to exert. *The activities of the China Lobby constituted an alien interference with the processes of government and the formation of public opinion in the United States that had never before or since been attempted on so ambitious a scale.*

What is the China Lobby?

Essentially it is a partnership between agents of the Chiang Kai-shek government and Americans who share the belief that Chiang should be given full support by the United States and who, collectively and individually, have exerted political pressure to gain their ends.

The Chinese partners are representatives of a government that relies for its very life on the continued financial and military aid of the United States and which could never hope to regain control of the mainland unless America can be persuaded to champion an all-out war against the Communist regime. Closely controlled and lavishly financed by the Nationalist government, the Chinese partners employ paid lobbyists, public relations ex-

perts, and personal persuasion at the highest levels of the American power structure.

The American partners are an assorted lot—honest men deeply concerned with the plight of the Chinese people; businessmen whose aim is to regain the lucrative commercial interests that they lost with the defeat of Chiang; fanatics; and politicians who are ready to use any issue, especially the fear of international Communism, in their hunt for personal power. Never closely knit, but bound by common objectives, these Americans form an amorphous group that on one level has all the skill of the professional manipulator, and on another, can rely on the goodwill of well-intentioned and innocent amateurs.

There has been a consistent attempt, of course, on the part of the supporters of Chiang Kai-shek to deny the existence of any pressure groups acting on his behalf. Taking note of these denials, Cabell Phillips, in a Washington dispatch to the *New York Times*, wrote: "That such a thing as a 'China Lobby' exists is indisputable in the minds of most observers."<sup>2</sup>

Documentary evidence of a China Lobby to meet even the most rigid technical definition is found in a special report issued by the *Congressional Quarterly Weekly Report*.<sup>3</sup> This authoritative journal listed ten registered agents of the Nationalist Chinese government and seven more whose registration had recently been terminated. (There are as we shall see, many other organizations, businesses, and individuals in the United States not registered as foreign agents but actively promoting the cause of Chiang.)

One of the surprising features of the China Lobby is how little has been written about it. Many of its operations, of course, are secret, but even during the years when the Lobby was most influential, much of the American press remained silent. Though sporadic articles by Drew Pearson and others about the Lobby do from time to time appear, there has never been, in any large-circulation journal, anything in the way of a full exposure. *The Reporter* magazine in April 1952 devoted two issues to a very full account of the Lobby's structure and activities, but otherwise,

<sup>2</sup> April 30, 1950.

<sup>3</sup> A special supplement, "The China Lobby: A Case Study," June 29, 1951.

as far as I know, no large-circulation newspaper or popular magazine apparently has brought these alien activities to the attention of the American public in an extended form.<sup>4</sup>

There were two stages in the development of the China Lobby. The first, the World War II phase, was born in 1940 when China stood alone against the invading Japanese. In the summer of that year T. V. Soong, brother of Madame Chiang Kai-shek, arrived in Washington where he remained until 1943. Soong, educated at Harvard and Columbia, had earlier been Minister of Finance in China and later was to become Foreign Minister. By 1940, Soong had already amassed a personal fortune. (By 1944 a former friend estimated his holdings in the U.S. alone at \$47 million.) He was a man of great social charm and intelligence, with a flair for exotic and expensive gestures. For example, in the spring of 1946, his wife, to whom he was devoted, fell ill. Soong chartered a private plane in Nanking to fly to Connecticut to pick up a cargo of dogwood of which Madame Soong was particularly fond. The bouquet must have cost between twenty and thirty thousand dollars.<sup>5</sup>

Soong, on his arrival in Washington in 1940, held no official title. But his mission was clear enough—to get more American help for the Chinese government. His major assistant was Ludwig Rajchman, a Pole who had been a League of Nations health expert.

T. V. Soong and Ludwig Rajchman sized up Washington rapidly when they arrived in 1940. Each of them had a highly developed genius for understanding how the disparate

<sup>4</sup> *The Reporter* magazine ran these articles in their issues of April 15 and 29, 1952. These were in large part part written by Charles Wertenbaker, who was previously Foreign Editor of *Time*.

A longer account of the activities and structure of the China Lobby is contained in a book by Dr. Ross Y. Koen, assistant professor of Political Science at Humboldt State College, California. This book, *The China Lobby in American Politics*, was published in 1960 by Macmillan but has not yet been made available to the public.

Though it has still, nearly three years later, not been reissued for public sale, copies can occasionally be found in libraries.

Both *The Reporter* articles and Dr. Koen's book indicate very careful research and both are profusely documented.

<sup>5</sup> *The Reporter*, April 15, 1952.

parts of a complicated structure like a government bureaucracy fit together. They soon saw that official Washington was a jungle of departments, often with overlapping functions and the usual hostility toward one another. The best way to get something done was to collect influential friends who could circumvent or overwhelm opposition.<sup>6</sup>

Soong made many "influential friends." He developed close contacts with Harry Hopkins (the White House), Henry Morgenthau (the Treasury), and powerful journalists such as Henry Luce (*Time*, *Life*, etc.), Roy Howard (Scripps-Howard newspapers), and the columnist Joseph Alsop. So close were Soong's associations with important people that he was reported to have once told a State Department official: "There is practically nothing that goes on in your government of which I do not learn within three days." Though he had at this time no official title, he often acted for the Chinese government. There is a story that when an American official questioned Soong's authority to sign a document for his country, Soong replied: "I am China."

The activities of Chiang's representatives and agents did not go unnoticed. On May 7, 1947, for example, Representative George Bender (later Republican Senator from Ohio), during a debate on the Truman Greek-Turkey aid program, told Congress of the "intense pressure placed upon our State Department."

I charge here on the floor of the House that the Chinese Embassy has had the arrogance to invade our State Department and attempt to tell our State Department that the Truman Doctrine has committed our Government and this Congress to all-out support of the present Fascist Chinese Government.<sup>7</sup>

And on August 25, 1949, Representative Mike Mansfield, in the course of a long speech (which I will refer to again later), in which he discussed the misuse of U.S. aid funds by Chinese officials, demanded that the Lobby Investigating Committee:

. . . investigate the activities of the lobby now brazenly being conducted in this country in behalf of the National

<sup>6</sup> *The Reporter*, April 15, 1952.

<sup>7</sup> Congressional Record.

Government of China and certain personalities connected with it.<sup>8</sup>

A second and far more active phase in the development of the China Lobby had already begun at the end of 1948 when the Chiang regime was beginning to fall apart.

Madame Chiang arrived in the United States on December 1, 1948. It was her job to reorganize Chiang's partisans in this country. Until she left, more than a year later, to join her defeated husband on Taiwan, her task was to mobilize the most influential Chinese in the United States and to promote all the American support that she could.

Operating from the pleasant Riverdale home (near New York, where many wealthy Chinese had homes) of her brother-in-law, H. H. Kung (head of the Bank of China and one of the wealthiest men in the world), Madame Chiang held weekly strategy meetings. The men who attended these sessions fell into two main groups. One, to which H. H. Kung and her brother T. V. Soong belonged, operated from and in New York, and included men of wealth rather than government officials. The other, which worked in Washington, was composed of Chiang's most trusted chiefs of missions.

These two groups represented the inner core of the China Lobby.

This was no ordinary group of political refugees. The Formosa regime was something more than a standard twentieth-century government-in-exile and something a good deal less than a real national government. It had found shelter on the island of Formosa, but it didn't want and couldn't hope to stay there forever. It had to go back to China or out of existence. The Kuomintang was eager to resume the fight, and its only hope was U. S. assistance on a gigantic scale. . . .

Peace for them was unendurable and unthinkable; at all costs, America too had to be made to see that a third world war was inevitable.<sup>9</sup>

<sup>8</sup> Ibid.

<sup>9</sup> *The Reporter*, April 29, 1952.

The Riverdale meetings hammered out the line of action that the re-energized China Lobby would follow. Chiang's defeat on the mainland must by now have been seen as inescapable. With reports from China bringing almost nothing but news of military disasters, the meetings in Riverdale must often have been held in an atmosphere of tense urgency.

The strategy that was worked out was the only one possible in the circumstances: First and above all, Chiang had to go back and if Chiang was to go back, it was necessary to persuade Americans that a strong and friendly China under Chiang was essential to their own security. To make this acceptable, it would be necessary to convince the American people that Chiang's defeat by the Communists was not due to his own ineptitudes. Chiang was defeated because the American government had failed to give him adequate support, and this because of "treachery" and "betrayal" in the American government itself.

It is probable, judging by subsequent actions, that more precisely defined objectives were also hammered out at these strategy meetings.

Dean Acheson, who as the Secretary of State was resisting the pressures of Chiang's partisans, must go. It was important, also, to discredit General Marshall, for it was Marshall who on his mission to China in 1945-46 had, they believed, attempted to bring about a settlement between the Nationalists and the Communists; it was on Marshall's recommendation that in 1947 \$500 million earmarked for China by the Export-Import Bank was allowed to lapse. Then there were the China specialists (both in and out of the State Department)—they, too, had to be removed from positions of influence. These experts had seen the true conditions of China under Chiang. It was they who had urged that Chiang be made to institute basic social and economic reforms, if defeat was to be avoided. These experts, especially those in the State Department, were in a position to exert great influence on national policy. So they, too, had to be removed.

Those, then, were the large and ambitious objectives of the inner core of the China Lobby.

Among the seventeen registered agents paid by the Chinese to help further their plans were the following, according to the *Congressional Quarterly*:

Allied Syndicates, Inc., a New York public relations firm that received \$50,000 in fees and \$10,000 in expenses from its client, the Bank of China. (The Bank also retained David B. Charney, another public relations expert, at an annual fee of \$75,000.)<sup>10</sup>

The Universal Trading Corporation, whose purpose ostensibly was to promote trade between the U.S. and Nationalist China, was listed as a foreign agent working for the Nationalists. This corporation had assets of \$21,674,751 in 1949. Another registered agent working for Chiang's government was the China Institute in America, Inc. Henry R. Luce (of *Time*, *Life*, etc.) was listed as a trustee and an officer of the organization. The Chinese News Service (with headquarters in New York and offices in Washington, Chicago, and San Francisco) was another agent. Its functions included "disseminating of news and information through press releases including *This Week in Free China*." Its operations in the U.S. were under direct supervision of the Ministry of Information of the Nationalist government. The Central News Agency was another registered agent, which was wholly owned by the Nationalist government. It listed total expenditures between 1945 and 1951 as \$1,114,355; but Senator Wayne Morse, during the MacArthur hearings, drew the attention of Congress to this agency which, Morse said, between 1946 and 1949 was alleged to have "spent in the neighborhood of \$654 million to influence American public opinion."<sup>11</sup>

The Nationalists supported two Chinese-language newspapers in the U.S. One of these, *Chinese Nationalist Daily*, stated that its purpose was to serve as the "official organ" of the Kuomintang and answer all criticisms of the Chinese Nationalist government by newspaper editorials and articles.

An individual listed by the *Congressional Quarterly* as being an agent of the Nationalists was William J. Goodwin, who in

<sup>10</sup> *New York Times*, April 30, 1950.

<sup>11</sup> U. S. Congress, Senate Committee on Armed Services and Committee on Foreign Relations. *Hearings, Military Situation in the Far East*, p. 2117.

1948 worked for the National Resources Commission of China. His salary was \$30,000 and he received \$28,857 in expenses. From July 1949 to March 1950 he received \$25,000 as an agent for the Chinese News Service, plus \$9,776 in expenses. He was also listed as a lobbyist with Congress. The *Washington Post* of September 18, 1949, threw some light on Mr. Goodwin's activities:

In less than two years, according to Justice Department records, Goodwin has contracted for \$65,000 from the Nationalist Government, first to get help from the United States, then to influence leaders of thought and urge them to approve larger measures of American support and material aid.

*The Reporter*, too, discussed Mr. Goodwin's activities:

In an interview with Edward R. Harris of the *St. Louis Post-Dispatch* . . . Goodwin estimated that he had entertained about a hundred Congressmen a year, converted at least fifty of them to support more aid for Nationalist China. . . . At one of Mr. Goodwin's dinners for Congressmen, a high [Chinese] Embassy official briefed a group of Senators on the reasons why W. Walton Butterworth . . . should not be confirmed as Assistant Secretary of State.<sup>12</sup>

Some of these paid agents injected themselves directly into the political life of America. For example, Mr. Leo Casey, an employee of Allied Syndicates, Inc., a registered Chinese Nationalist agent, went to California to help Richard Nixon in his campaign against Helen Gahagan Douglas in the race for U. S. Senator from California.

Mr. Casey organized an "Independent Voters Committee for Nixon." He worked hard, he says, to attract the Negro vote, on which Mrs. Douglas, a liberal, was counting heavily. Since Mrs. Douglas had also been a sharp critic of the House Un-American Activities Committee, he also played up Mr. Nixon's part in the investigation leading to the conviction of Alger Hiss. His job well done and Mr. Nixon elected, Mr. Casey went back to New York.<sup>13</sup>

According to *The Reporter* Mr. Casey was shocked when he

<sup>12</sup> *The Reporter*, April 15, 1952.

<sup>13</sup> *The Reporter*, April 15, 1952.

learned after his return that his trip to California was for "the China account."

One of the busiest American members of the China Lobby was the late Mr. Alfred Kohlberg. Mr. Kohlberg was the head of a successful, \$1 million a year, business that imported textiles from China. Kohlberg in time became an important figure in the China Lobby. He, too, gave support to politicians with the "right" views about Chiang. The *Congressional Quarterly* Special Supplement reported that he made a large campaign contribution to Styles Bridges (R-N.H.) in 1948. Kohlberg subsidized a journal called *Plain Talk* (later the *Freeman*), through which he attacked the Institute of Pacific Relations, of which he was a member, the "pro-Soviet group" in the China section of the State Department, General Marshall, Owen Lattimore, General Stilwell, Henry Wallace, and others. After withdrawing from the Institute of Pacific Relations, he set up a competing organization: "The American China Policy Association."

Through his China Policy Association and his magazine *Plain Talk* (later the *Freeman*), through his friends and fellow enthusiasts . . . Alfred Kohlberg was rapidly becoming a principal peddler of pro-Nationalist propaganda. Above all, he was spreading . . . his uninhibited version of the State Department "conspiracy." And so, in the winter of 1949-1950, not long before Senator McCarthy's first barrage, T. V. Soong sought out Mr. Kohlberg.<sup>14</sup>

And money for all this?

There was never a shortage of funds as far as the China Lobby was concerned. Before Chiang's defeat enormous sums of money were being transferred from China to the United States and were made available for pro-Chiang activities.

And—ironically—most of this money came from the United States in the first place!

On August 25, 1949, Representative Mike Mansfield addressed himself to this issue on the floor of the House of Representatives.

<sup>14</sup> *The Reporter*, April 29, 1952.

Into the Congressional Record he read an article from the *U.S. News & World Report* to be published the following day:

"The effort to find out what really happened to the \$4,350,000,000 of American taxpayers' money given to China since 1941 is leading investigators to great personal fortunes amassed by a few Chinese.

"Story behind the White Paper is that a few Chinese highly placed in Generalissimo Chiang Kai-shek's Government have built up fortunes running into hundreds of millions of dollars. They are fortunes comparable to those made by Americans in the period of this country's industrial growth. But Americans, owing to United States law, no longer can acquire wealth in the amounts amassed by Chinese who profited from United States aid to China.

"On the receiving end of the aid was a one-party government dominated by Chiang Kai-shek and small cliques of his relatives and friends.

The *U.S. News* article cited the case of the \$220 million shipment of U.S. gold which turned up in the hands of insiders who made hundreds of millions in profits. It also referred to \$200 million in U.S. currency sent to redeem Chinese savings certificates—insiders grabbed up the savings certificates and got hold of the U.S. dollars. Its story as read into the Congressional Record continued:

"Automobile and truck parts, radio and electrical equipment, blankets and GI rations even blood plasma, which was sent from the United States to the Chinese Army were sold by and to civilians. Wealthy Chinese whose connections inside the Nationalist Government enabled them to divert these supplies from military channels reaped handsome profits. Some of the Material was actually purchased by Communist agents.

"United States relief supplies and economic aid to Chinese cost American taxpayers more than \$2 billion. But much went to profiteers. . . . Rice supplied by the U.S. for famine relief was resold to rich Chinese.

"Taking out the profits made from United States aid to China was an operation that began about 1946 and still continues. Hundreds of millions of dollars in gold and

foreign currency were smuggled out through British Hong Kong and Portuguese Macao. More was carried by Chinese with diplomatic passports carrying Chinese government pouches. Huge fortunes were assembled in Zurich, Buenos Aires, New York, San Francisco and other cities out of reach of the Chinese people whom the United States sought to help. Most owners of the fortunes have fled China too."

Having quoted this article, Mansfield demanded an investigation:

I suggest that this committee seek to determine whether American money, originally appropriated to aid the Chinese Government, illicitly diverted to private use by the method described above, is actually used to promote new legislation for aid to China by which more money would be made available.

I suggest that this committee inquire into whether American money provided to help China, but siphoned off for private use by the method described above, is being used to finance attacks on our Secretary of State and other officials charged with continuing our relations with China.<sup>15</sup>

Other critics also asserted that the China Lobby may have been using U.S. aid funds to further its purposes. Senator Morse, during the MacArthur hearings (p. 2117), spoke about the Nationalist officials and generals who made fortunes in graft on American loans and that it was:

reasonable to assume that some of this money is being used to finance propaganda . . . chiefly to promote more money going to Chiang and Chiang forces. This suggests to some a closed circuit of American dollars flowing from Congress to the Nationalists and back again in the form of alleged activities for still more money for Chiang.

Senator Morse in this speech also referred to the \$654 million alleged to have been spent by the Central News Agency to "influence American public opinion."

In the summer of 1949, \$800,000 was transferred from Formosa to New York for financing the work of the China Lobby. And further funds were made available not long after that.

<sup>15</sup> Congressional Record, August 25, 1949.

Ever since 1949, the official financing of the Lobby has centered largely in Washington. . . . Before Madame Chiang left the United States early in 1950, she arranged for a fund of more than a million dollars, then under the direct control of the Chinese National Resources Commission, to be put at the disposal of Counselor of Embassy Chen Chih-mai. General Pee, the military attache, who reports directly to Chiang Kai-shek, also draws large funds independently of the Embassy.<sup>16</sup>

The China Lobby, it is quite clear, was never short of cash.

Thus Chiang Kai-shek, though defeated by his own countrymen, could look with some confidence toward America. His wife's presence there for over a year had brought new vitality to his supporters. Objectives had been defined, strategy planned. The members of the inner core, many of them Chinese of exceptional intelligence and of high standing, some of them Chiang's own relatives, had established close contacts with men at the very pinnacle of the American power structure. His agents, public relations experts, and lobbyists, skilled in the methods of influencing people, were employed and busy—and there was almost limitless money available for their activities. And around this inner core of Chiang's supporters were Americans of all kinds—well intentioned private citizens, publishers of large circulation journals, writers, businessmen, politicians—ready and anxious for all manner of reasons to promote the cause of Chiang and his Nationalist regime.

But Chiang in his moments of wildest optimism could never have dreamed how successful his Lobby would be. Nor would they have been so successful if their period of supreme effort had not coincided with a mood of bewilderment and bitter recrimination that just then was sweeping the United States.

While it is true that in the last few years of his regime there was growing disenchantment with Chiang, the "loss" of China nevertheless came as a tremendous shock to the American people. Americans simply could not bring themselves to believe that the

<sup>16</sup> *The Reporter*, April 29, 1952.

Chinese, however rotten their leadership, could have preferred a Communist government.

With Chiang's defeat came tumbling a century of American hopes. The years of service of so many well-meaning Americans—all for nothing. The bright dream of one day bringing the Chinese into the Christian community—gone for good. The carefully calculated expectations of building a friendly China as a bulwark against Russia—now meaningless. The banks, the oil companies, the special commercial privileges, the profits, all now to be abandoned. And the vast China market made available to our Communist enemies rather than ourselves.

The true nature and deep roots of the Chinese revolutionary movement had never been fully grasped in America. Lack of information had left the American people unprepared either to intervene in sufficient strength to thwart the revolution, while that was still possible (if it ever was), or to accept the final result when it came. Americans had for so long accustomed themselves to thinking of the Chinese as their friends, they felt they had done so much for China, they had such high hopes of her future, that it had never really entered their minds that one day the Chinese might have other plans of their own.

How true was it that we could have "saved" Chiang if we had tried harder and had given him more?

Walter Lippmann summed up the opinion of the generals this way:

On the prospects of Chiang and his government, the judgment of all the generals was the same. None thought that Chiang would win, all were convinced that Chiang was losing the civil war. Marshall's estimate supported Stilwell's and Wedemeyer's supported Marshall's and Barr's report confirmed the estimate. The generals differed, however, on what to do about Chiang. Stilwell's conclusion was that we should abandon him. . . . Wedemeyer's conclusion . . . was that we should take charge of the Chinese government and of the civil war. Marshall's decision . . . was that we could not abandon Chiang but that neither could we take over his powers, his responsibilities and his liabilities.

—New York *Herald Tribune*,  
September 8, 1949.

But whatever America might or might not have done—it was now too late. Our friends had now become Communists, and to Americans at this time all Communist movements were mere extensions of Soviet power. So to disappointments and bitterness there was added a component of fear. The defection of a quarter of the world's population to the camp of the enemy was a shattering national blow.

Within a year of Chiang's defeat G.I.'s were dying in Korea before Chinese guns, with sixty-five thousand American casualties in the first year. As hopes of a quick victory in Korea faded and bitterness and frustration grew, an ever-larger number of Americans turned their anger on their own officials. The spokesmen for the China Lobby they felt were right after all. Chiang's defeat, and all that flowed from it, could have had only one cause—betrayal and treason in Washington. The conviction of Alger Hiss in 1950 (though he had been out of public service for four years and the activities about which he committed perjury had occurred thirteen years earlier) added to the fears of a Communist conspiracy within our own ranks.

And it was during this period of bewilderment and mutual re-  
crimination that Chiang's partisans and expert manipulators gained a powerful ally.

On January 7, 1950 an obscure Senator from Wisconsin by the name of Joe McCarthy was dining with three companions (none of whom knew him very well) at the Colony Restaurant in Washington. McCarthy had been elected in 1946. His reputation was uninspiring.

He had got himself involved with some dubious lobbying practices.<sup>17</sup> He had had a brush with the Wisconsin Department of

<sup>17</sup> For example, one week before the Senate Investigating Committee began investigating the Lustron Company, that had borrowed \$37,500,000 from the Reconstruction Finance Corporation, Senator McCarthy (a member of the Investigating Committee) received a check for \$10,000 from the Lustron Company. This was ostensibly for payment of a pamphlet (the rate of payment works out at \$1.43 a word, something of a world record) which it turned out later McCarthy did not write. Full details of this and other McCarthy shenanigans can be found in the exhaustively documented book, *McCarthy: The Man, the Senator, the "Ism"* by Jack Anderson and Ronald W. May (Boston: The Beacon Press, 1952).

Taxation.<sup>18</sup> Word of his questionable practices was beginning to circulate in Wisconsin. McCarthy, very rightly, realized that unless he did something to endear himself to his constituents in Wisconsin his election next time might not be as easy as his first had been.

Richard Rovere, in his excellent book *Senator Joe McCarthy*,<sup>19</sup> describes this dinner at the Colony and how McCarthy confided to his companions that he stood in need of a dramatic issue for the 1952 election. One of his companions

suggested that McCarthy come forward as a champion of the St. Lawrence Seaway. McCarthy said he didn't think that would do. He asked the others what they thought about some up-to-date variant of the Townsend Plan—a hundred dollars a month pension, say, to everyone over sixty-five. The others disapproved—too demagogic, they felt. Father Walsh [one of the four] then suggested Communism—its power in the world at large and its capacity for subversion. McCarthy seized upon the idea at once and at once began, according to one of the participants, to vulgarize. "That's it," he said. "The government is full of Communists," he said. "We can hammer away at them."<sup>20</sup>

A month later, on February 9, Joe McCarthy spoke to a group of ladies at the Ohio County Women's Republican Club at Wheeling, West Virginia. And with that speech began McCarthy's brief and terrible passage across the pages of American history.

"While I cannot take the time (said McCarthy at Wheeling) to name all of the men in the State Department who have been named as members of the Communist Party and members of a spy ring, I have here in my hand a list of two hundred and five that were known to the Secretary of State as being members of the Communist Party and who nevertheless are still working and shaping the policy of the State Department."<sup>21</sup>

<sup>18</sup> McCarthy had filed no returns with the Wisconsin Department of Taxation on stock market earnings in 1943, claiming that in that year he was not a resident of Wisconsin but a tail-gunner in the South Pacific. The Department forced him to pay up \$2677.

<sup>19</sup> New York: Harcourt, Brace, 1959, pp. 122-23.

<sup>20</sup> Ibid., p. 122.

<sup>21</sup> Ibid., p. 125.

The witch-hunt was on!

The speech, based on a brazen falsehood, was itself an extraordinary performance, and it seems that no one was more surprised than McCarthy at the furor it caused. Challenged to justify his charges, he attempted to do so on the floor of the Senate.

It was, Rovere wrote,

a flabbergasting performance, lasting from late afternoon almost until midnight . . . McCarthy, growing hoarser, redder, and less coherent, shuffled about the idiotic "dossiers" that were spread untidily over two desks and that were plainly as foreign to him as they were to other Senators. Scott Lucas interrupted sixty-one times, mainly in a futile effort to make McCarthy straighten out his mixed-up figures. Brian McMahon . . . made thirty-four vain attempts to have McCarthy submit to a testing of his claims against reason and evidence. . . . Other Senators tried, too, but it was useless. He would not explain, he would not amplify, he would not qualify. . . .<sup>22</sup>

It was this man who, incredibly, from then on for four fateful years, dominated the American political scene. "No bolder seditionist," wrote Rovere, "ever moved among us—nor any politician with a surer, swifter access to the dark places of the American mind." He stamped with his name a whole appalling era of our history, and many of the suspicions and fears which he kindled are smoldering with us still. Abroad his name became associated with all that was considered evil in our American society. By riding roughshod over accepted practices, all established values, McCarthy in these few years inflicted incalculable damage to the democratic structure and the decencies of American life. He disregarded the Constitution. Operating within his senatorial immunity, he dragged into the mud the names and reputations of some of the finest and noblest of men. He usurped judicial authority and executive function. Because of McCarthy innocent men and women found their lives ruined, their careers in shambles. His power was such that he was able to challenge, without basis, the loyalty of men in the highest offices of the nation, and before his threats even the mighty military establishment groveled.

<sup>22</sup> Ibid., pp. 133-34.

He held two presidents captive—or as nearly captive as any Presidents of the United States have ever been held; in the conduct of the nation's affairs, Harry S. Truman and Dwight D. Eisenhower, from early 1950 through late 1954, could never act without weighing the effect of their plans upon McCarthy and the forces he led, and in consequence there were times when, because of this man, they could not act at all. He had an enormous impact on American foreign policy at a time when that policy bore heavily on the course of world history, and American diplomacy might bear a different aspect today if McCarthy had never lived.<sup>23</sup>

What gave McCarthy his extraordinary power? *He had the ear of the people.* Though for four years he failed to identify a single Communist, his voice expressed the hidden suspicions and unconscious frustrations of millions. McCarthyism was bipartisan and McCarthy had more admirers among manual workers than any other group. To many (in the words of one of his great supporters, Fulton Lewis, Jr.), "McCarthyism is Americanism." At one time 50 percent of the American people had a "favorable opinion" of this bully and fraud, and another 21 percent had "no opinion" of him. And with this fantastic support of the people behind him, he managed to degrade the political life of his nation. For four years attention was riveted on matters of "loyalty risks" and "security clearances," "loyalty oaths" and "treason," and administrations vied with each other to see which would dismiss the largest number of unworthy civil servants.

"We are kicking the Communists and fellow travellers and security risks out of the Government . . . by the thousands," the Vice-President of the United States said. It happened to be a fact that not one certifiable Communist had been disclosed as working for the government—though quite possibly there were a few. But this was not the worst of it. The worst was that McCarthy and McCarthyism had led us to think that the health of the state was war against clerks of dubious patriotism.<sup>24</sup>

The China Lobby and McCarthy needed each other.

The pro-Chiang partisans had been denouncing Communism

<sup>23</sup> Ibid., p. 5.

<sup>24</sup> Ibid., p. 18.

for years, but they had never captured the public's imagination. Kohlberg had talked loudly and long about the "Communist conspiracy in the State Department," but he reached only a relatively small audience. Here at last was a man "with guts enough and dumb enough," as Kohlberg was to phrase it later, "to accuse the makers of foreign policy of being traitors."<sup>25</sup>

Soon after McCarthy's outburst at Wheeling, Kohlberg met the Senator for the first time. McCarthy had the headlines and needed ammunition. Kohlberg had never made the headlines but had all the ammunition that was needed. The Senator was soon furnished with all of Kohlberg's articles, releases, and charges. And McCarthy made use of them. And Goodwin, the foreign agent, also boasted that he had "helped materially" to lay the groundwork for McCarthy's attacks on the State Department.<sup>26</sup>

To right wingers of all shades all over the country, China suddenly, under Senator McCarthy's impetus, became the magic issue that might finally provide the road to power. . . . Throughout 1950 and 1951 the chorus from the Right and even from some sections of the Center and Left grew shriller and shriller. Kohlberg could well be pleased with his part in preparing the score. "I am proud," he declared, "to have given Senator McCarthy a small part of the information he gathered for his fight. . . ." A year later he had only one reservation about the Senator. "He doesn't go far enough," Kohlberg remarked. "He's too cautious about using his information."<sup>27</sup>

In their book, *McCarthy: The Man, the Senator, and the "Ism,"* Anderson and May draw attention to the McCarthy-China Lobby relationship. The "press and the public were so blinded by the fireworks of Joe's broadsides," they wrote, "that no one seemed to notice where he was getting his ammunition."

With startling regularity, the key targets of Joe's attacks turned out to be State Department officials who had opposed the Open Pocketbook policy toward Nationalist China. Certain men had questioned the ability of Chiang's demoralized

<sup>25</sup> *The Reporter*, April 29, 1952.

<sup>26</sup> *McCarthy: The Man, the Senator, and the "Ism,"* p. 198.

<sup>27</sup> *The Reporter*, April 29, 1952.

armies to defend the Chinese mainland; they had reported that American aid money was being diverted into the pockets of corrupt Nationalist officials. And they ended up on McCarthy's Red list.

As scraps of information bubbled to the surface, it became clear that the campaign against Chiang's critics had originated with the "China Lobby."<sup>28</sup>

Those who were even remotely connected with the "loss" of China were especially singled out. The campaign to discredit the China specialists and scholars outside of government service was carried on by McCarthy and the China Lobby unceasingly for four years, and the reputation and influence of many of them were destroyed.

Even more prolonged and bitter attacks were leveled at the China specialists in the State Department. For having written, in the course of duty in China, factual reports about the growing strength of Communists, and the true conditions in the areas under Chiang, career officers were pilloried for being "pro-Communist." Some of the most highly trained and intelligent Foreign Service officers were subjected to humiliating attacks and indignities. Some had to submit to as many as eight loyalty hearings. Before long nearly all the career officers in the State Department who had been critical of Chiang Kai-shek were suspended or fired or had resigned. Almost none of the China-trained experts remained in positions where they could have used their knowledge and experience to modify U.S. policies. From the China Lobby-McCarthy alliance, the Foreign Service of the United States received a wound from which it will take many more years fully to recover.

It is generally conceded today that McCarthy could never have gained his brief but horribly destructive ascendancy if the newspapers had not bestowed publicity on him so lavishly. He did not, it is true, receive much active editorial support. What help of this kind that he got from the press came mainly from the *Chicago Tribune*, the *Washington Times-Herald*, and the Hearst chain.

<sup>28</sup> *McCarthy: The Man, the Senator, and the "Ism,"* pp. 191-92.

Nearly all the other papers were openly opposed to McCarthy and his tactics.

But it was not support but publicity that McCarthy thrived on—and the press gave him plenty of it. During his period of power the name McCarthy appeared more often on the teletyped stories coming into newspaper offices from Washington than the name of any other Senator. For long stretches at a time, the press made him the central figure in American politics—and McCarthy on his part did his best to provide the press with headlines.

The press was caught in a peculiar difficulty—which McCarthy was shrewd enough to use for his own ends. His charges *were* news, though they might also be lies. As Walter Lippmann once wrote:

McCarthy's charges of treason, espionage, corruption, perversions are news that cannot be suppressed or ignored. . . . When he makes such attacks against the State Department or Defense Department it is news which has to be published.<sup>29</sup>

But, of course, it was also news that a United States Senator was lying and defrauding the people and the government—but that news did not, until long after, reach the headlines.

The American press was simply not set up so that it could feature a "McCARTHY LIES" story alongside a "McCARTHY SAYS" story.<sup>30</sup>

The difficulty may be real, but in the light of all the damage that McCarthy brought, the excuse seems lame.

Thus by skill, by luck, by money, by ruthlessness, because of the shock of Chiang's defeat, because of the bitterness of the Korean War, because of McCarthy's help when his help was powerful, Chiang Kai-shek's partisans succeeded to a great extent in controlling America's China policy.

It is in any event a fact that both Secretary of State Dean Acheson and his immediate predecessor General Marshall testified during the Senate hearings on Far Eastern policy that they would

<sup>29</sup> Quoted by Rovere, *Senator Joe McCarthy*, p. 166.

<sup>30</sup> *Ibid.*

never so much as *consider* the recognition of Communist China or support its admission to the United Nations.

They assured the Senate that the very idea of recognition was so abhorrent to them and to other American diplomats that it was never even *discussed* in the Department of State, which simply was not the truth. Pressed further, they made a pledge, which they were in no position to keep, that the United States would never offer recognition. Deception, stupidity, stubbornness, and a commitment in perpetuity—these were the lengths to which McCarthy and McCarthyism drove these intelligent men.<sup>31</sup>

And at this point the rudder jammed.

Our China policy became immovable, and has remained immovable to this day. Our China policy, after more than a decade, is not only immovable but also, on any effective political level, almost undiscussable.

Why?

At least part of the answer lies in the fact that *the China Lobby still exists*. Under different forms, and with a somewhat different cast of characters, the influence of Chiang's supporters in America is still immensely powerful, and no doubt funds for its activities are still available in ample supply.

At the end of the Korean War a bipartisan organization—as it were, a lobby within a lobby—was created to oppose Communist China's representation in the UN. Its title, effective but misleading, is the Committee of One Million against the Admission of Communist China to the United Nations. This Committee is now one of the principal spokesmen of those who espouse the cause of Nationalist China.

Professor Urban Whitaker, of San Francisco State College, spent a year in 1961 as a Rockefeller Fellow studying the China question. After two long interviews with Mr. Marvin Liebman, Executive Secretary of the Committee of One Million, he was able to throw some light on its activities and policies.

For years the Committee of One Million has existed mainly on public relations. It has never had a million members. Its

<sup>31</sup> Rovere, *Senator Joe McCarthy*, p. 14.

own official history states that, as of 1961, it had only 6,000 contributing members. For all the suggestiveness of its clever name, the committee finds it appropriate to print no more than 25 to 35 thousand copies of the various brochures it publishes from time to time. It does not appear to be short of funds, however, and has long been one of America's most effective pressure groups. Its most powerful instrument is its promise to focus the full emotional power of anti-Communist public agitation against the candidacy of any person opposing the committee's views on China.<sup>82</sup>

If this Committee fails in preventing Communist China's representation in the UN it has its next step already planned. It will then create a new movement—The Committee against U. S. Participation in the United Nations.

Not only is Liebman's office the center of a right-wing lobby that has been largely responsible for disorienting our China policy, but it is the center of a well-financed plan to destroy the United Nations [The inference being that the withdrawal of the U.S. would, in effect, destroy the U.N.]. . . . Here is a deep and disturbing indication of the residual McCarthyism which continues to hamstring our national energies and to put a halter on our democratic tradition.<sup>83</sup>

And if there are those who feel that this is all a little farfetched, that no group operating from an office in New York can really have much of an influence on the foreign policies of a great nation such as ours, they should remind themselves that this is only the outward and visible operation of powerful forces that still work largely in secret.

Even as I am writing this chapter in mid-July, 1963, a Senate committee has just released a transcript of hearings on some of the less public activities of the Lobby. And in doing so it has revealed once more the extent and effectiveness of its ramifications.

On March 25, 1963, the Senate Foreign Relations Committee, investigating the activities of nondiplomatic representatives of foreign principals in the United States, heard testimony that a New York public relations firm, the Hamilton Wright Organization, a registered agent for Nationalist China from 1957 to the

<sup>82</sup> *The Nation*, October 7, 1961.

<sup>83</sup> *Ibid.*

end of 1962, contracted to receive as much as \$300,000 in an 18-month period from the Chiang Kai-shek government. For what? On this point the testimony is absolutely clear: to write and distribute stories, news articles, photographs, and movies that would create a favorable image of Nationalist China in the minds of the American people.

To read the transcript of the Senate hearings<sup>84</sup> provides the same combination of fascination and shock as a good detective story. From it one can reconstruct in one's mind quite vividly the methods and techniques that might be employed by experienced professionals paid to influence the public.

The document containing the official terms of the contract between the Hamilton Wright Organization and The Republic of Free China for one year (October 1, 1958, to September 30, 1959) is reproduced in facsimile (all 23 pages of it). Reading these terms and seeing all that the Wrights promised to do, one feels that they certainly earned their fee. We learn, among many other things, that six "newsreels" will be released simultaneously to NBC-TV, CBS-TV, ABC-TV, etc., and that the Wright Organization guarantees that half of these releases will be used. Under the contract a minimum of 3000 still pictures were to be taken, and hundreds of the best of them were to be offered to the leading news-photo syndicates. (A single picture might then show up in as many as 500 newspapers.) The Wrights promised to make color pictures too, to prepare Sunday picture supplements for syndication to sixty Sunday newspapers; they promised to write twenty newspaper feature articles, each to go to two hundred newspapers—and many of these articles would appear under the names of members of the syndicates or under the names of the staff writers of the newspapers that used them.

Senator Fulbright drew attention to one clause in the contract in which the Wright Organization "guaranteed" that:

In 75% of the releases, neither the editor of the newspaper—nor the newspaper reader—HAS ANY KNOWLEDGE

<sup>84</sup> *Activities of Nondiplomatic Representatives of Foreign Principals in the United States. Hearing before the Committee on Foreign Relations, United States Senate, Part 7 and Part 10. (U. S. Government Printing Office, 1963).*

WHERE THE MATERIAL ORIGINATED. Only the editor of the syndicate knows. In some instances, we syndicate our material direct to newspaper editors.

(The capitals were in the original contract.)

Under the quiet, probing questioning of Senator Fulbright, the Wrights (father and son) testified that at one time or another a number of news syndicates, publications, and networks were furnished with material supplied free by these paid agents.

Though the contract stated that in 75 percent of the releases neither the editor or the newspaper reader would know where the material originated, though the syndicate would, the Wrights strenuously argued in their testimony that most of the editors *did* know where the material was coming from.

MR. WRIGHT, SENIOR: Every release that goes out from our office says: *From the Hamilton Wright Organization, 30 Rockefeller Plaza*, and underneath it says: *Officially for the Government of Free China*.<sup>35</sup>

It was testified that for several years the Wright Organization employed a Mr. Don Frifield at a salary of twenty-five thousand dollars a year to write articles on the Orient, and that these articles were generally favorable to the Chiang government.

THE CHAIRMAN: To whom, after he wrote an article, did he [Frifield] submit it?

MR. WRIGHT, SENIOR: He submitted them to North American Newspaper Alliance, to other syndicates, to newspapers direct, Sunday newspapers, on the basis of being free, and they could reject or accept it.

THE CHAIRMAN: Did they in fact?

MR. WRIGHT, SENIOR: They published a tremendous lot and requested more articles.<sup>36</sup>

<sup>35</sup> Hearings, p. 790.

<sup>36</sup> Ibid., p. 789. But in a letter to Senator Fulbright, the editor of North American Newspaper Alliance, Inc., pointed out that the only stories by Frifield that NANA distributed were non-controversial and not connected with U.S. policy toward China, and more of his stories were rejected than accepted (Hearing, Part 10, pp. 1500-1).

THE CHAIRMAN: Was this part of your representation of China?

MR. WRIGHT, SENIOR: Yes.

MR. WRIGHT, JUNIOR: Yes.

THE CHAIRMAN: And these articles were generally favorable to China?

MR. WRIGHT, JUNIOR: Yes, indeed.

MR. WRIGHT, SENIOR: Some of these articles were irrelevant to China. They talked about the Far East because editors requested stories that didn't have China in it all the time. They talked about Hong Kong; the refugee situation in the Far East.

THE CHAIRMAN: Did the editors who used these articles know they had been written and paid for by a representative of a foreign government?

MR. WRIGHT, SENIOR: Definitely, yes.

Later in the testimony Senator Fulbright returned to Mr. Frifield's activities.

THE CHAIRMAN: Did Frifield write for the New York Herald Tribune News Service?

MR. WRIGHT, SENIOR: Yes, indeed.

THE CHAIRMAN: And you think they knew he was employed by you?

MR. WRIGHT, SENIOR: Absolutely. I have many friends over there.<sup>37</sup>

THE CHAIRMAN: The net effect of this was the New York Herald Tribune was accepting pieces prepared by a paid foreign agent,

<sup>37</sup> Later, Mr. James G. Bellows, editor of the New York *Herald Tribune*, released a statement declaring that "according to our correspondence, it was not known" that Frifield was a paid writer for "a China Lobby firm," that organizational and personnel changes had since occurred, and that the *Herald Tribune* staff "is watchful at all times that unlabeled, sponsored material should not be handled as news in the newspaper or on the news service." (Hearing, Part 10, p. 1501). Mr. Frifield subsequently filed a statement with the Committee which included a letter from the former editor and manager of the *Herald Tribune* News Service at the time of Frifield's writing, stating that "we were fully aware" of Frifield's association with Hamilton Wright and further noting that the Frifield material was edited by the news staff and accepted "on the basis of merit."

and they were accepting them and giving them to the public as if they were objective news stories?

MR. WRIGHT, SENIOR: That is done every day in the week. That is done by the Associated Press; that is done by the United Press; that is done by Fox Movietone News. It is done constantly.

MR. CHAIRMAN: Can you give me another example?

MR. WRIGHT, SENIOR: Yes. I showed you examples of the New York Times. I showed you examples in the magazines, pictures in the National Geographic Magazine. They know we are doing this work all the time.

But here again, Mr. Chairman, the big thing is, is it news or is it propaganda? They decide whether they like it or they don't like it. If they don't like it, they don't accept it.

THE CHAIRMAN: Well, in reading your proposals to the Government of China, your purpose was to influence the political image of China. That was part of your objective, and that is what these stories were largely directed toward, were they not?

MR. WRIGHT, SENIOR: I do not agree with that. I think these stories were directed to show the way of life, the institutional way of life of China, for example.

THE CHAIRMAN: That only goes to the method. The objective was to create a favorable image.

MR. WRIGHT, SENIOR: We are getting back to this same discussion we had before.

THE CHAIRMAN: That is correct.

MR. WRIGHT, SENIOR: As to what do you call politics or what do we call political propaganda, hard core political propaganda. My answer to that is "No."

THE CHAIRMAN: But the whole point that we come back to is that Mr. Frisfield is employed by you, and he writes a story favorable to the Government of China. Under the law, the public who reads this is entitled to know that this was written by a paid agent and not just a newsman. That is what the law says.

MR. WRIGHT, SENIOR: But the law does not demand that the New York Times publish a story or publish credit that this story has been accepted from a paid representative of the foreign

government under the Justice Department law. This has never been; this law has never been defined and never been executed to that extent.

THE CHAIRMAN: Do you think if it required that, then it would stop?

MR. WRIGHT, SENIOR: It would stop us. It would put us out of business in 24 hours.<sup>88</sup>

Later, there was this testimony:

MR. WRIGHT, SENIOR: You think we are deceiving the public?

THE CHAIRMAN: Yes.

MR. WRIGHT, SENIOR: You think when we give a story to Life magazine we are deceiving the public?

THE CHAIRMAN: I didn't say in every case.

MR. WRIGHT, SENIOR: You think when we give pictures to the Associated Press we are deceiving the public?

THE CHAIRMAN: When you write a story that is favorable to your client and you fail to identify it as having been written by one paid to do it, I think this is a form of deception.

MR. WRIGHT, SENIOR: What about the motion pictures?

THE CHAIRMAN: Well, it would be the same way, unless you would identify that these are made by a person employed—

MR. WRIGHT, SENIOR: Who cares?

THE CHAIRMAN: To make them.

MR. WRIGHT, SENIOR: Who cares?

THE CHAIRMAN: Well, the Federal Government cares.

MR. WRIGHT, SENIOR: The public doesn't care.

THE CHAIRMAN: They passed an act for it. The Congress passed an act requiring it. That is who cares. I didn't pass it. It has been on the books.

MR. WRIGHT, SENIOR: Let us talk about this a little more because this is going to go very far. Suppose 20th Century-Fox—we ask 20th Century-Fox to put a label on their film like you are suggesting and they say, "No, we won't do it. We didn't produce the picture. You did. You turned it over to us for \$1."

Where do you stop and start?

<sup>88</sup> Ibid., pp. 793-94.

THE CHAIRMAN: Well, as the law now stands, I think it requires that this be identified as produced by an agent of a foreign government.

It strikes me that is the simple requirement of the existing law.

It does not say you cannot do it.

MR. WRIGHT, SENIOR: This would kill it. They wouldn't use it.

THE CHAIRMAN: Why not? If it has any inherent—

MR. WRIGHT, SENIOR: Because they will not sell propaganda to the theatregoer. How would you like it if you went into the Radio City Music Hall with your family and you sat down to see a show, and a short subject comes on about Hawaii headed by 20th Century-Fox, and you say, "Isn't this a wonderful picture," cinemascope, color, beautiful beaches, beautiful sand, fishing, sports, and then at the end of it it says, "This has been presented by the Hamilton Wright Organization, a paid representative of the government of Hawaii, distributed by 20th Century-Fox"? You would get up and raise hell about it.

THE CHAIRMAN: I wouldn't raise near as much hell than if it wasn't there and I found out later I had been taken in by a piece of propaganda that wasn't true.

MR. WRIGHT, SENIOR: We say that on all our films, film of the Hamilton Wright Organization.

THE CHAIRMAN: Well, whenever you do there is no objection.

MR. WRIGHT, SENIOR: We say that. But 20th Century-Fox will not say that; Warner Bros. won't say that. Every picture of ours that goes out as one of our pictures; in addition we have this new tag on there that Mr. Lenvin asked to go on.

I don't know how far you are going to go with this Hollywood crowd in asking them to put it on. . . .<sup>89</sup>

I have quoted enough from these Senate hearings to convey the essence. Perhaps the final touch came after the hearing was concluded, when the Senior Wright, according to the Washington Post on July 11, 1963, complained that he had been "treated

<sup>89</sup> Ibid., pp. 819-20.

with a great deal of embarrassment. There's nothing sacred," he said. "It's like going into a man's drawer and reading his love letters."

These hearings would indicate that the China Lobby still existed (at least until the end of 1962); that large funds were still spent in promoting a favorable image of the Chiang Kai-shek government; and that the U.S. press was aiding the dissemination of Chiang's propaganda.

I have in this chapter attempted to indicate the pressures that have been exerted in the U.S. on behalf of the Chiang Kai-shek regime. This, quite obviously, is not the full story of the China Lobby. Much still remains hidden, much will never be fully known. But I have said enough, I hope, to remind ourselves how McCarthyism and the China Lobby at one time interacted and mutually supported each other; and how some of the U.S. press has allowed itself to be used for propaganda paid by Chiang Kai-shek and his partisans.

There were many other factors that shaped American policy toward China. The activities of the China Lobby must be seen in relation to the broad mosaic of historical events. It seems clear, however, that Chiang Kai-shek, by means of his paid agents and with the help of his supporters, with the use of money and with the support of items published by the U.S. press, exerted an extraordinary influence upon public opinion and the official policies of the United States.