

# American Involvement in China

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*Excerpts from [Red Terror & White Terror](#), and [the 1937-1945 Resistance War](#), and [the Chinese Civil War](#) For updates and related articles, check <http://www.republicanchina.org/RepublicanChina-pdf.htm>*

## The Soviet Setup, i.e., Operation Snow

Lauchlin Currie, economic adviser to President Franklin Roosevelt from 1939 to 1945, went to China on an inspection mission in Jan 1941. For four weeks in Feb and March, Currie conferred with Chiang, ambassador Johnson, and naval attaché James McHugh. Though Currie's visit culminated in China's eligibility for the Lend-Lease assistance passed by the U.S. Congress on March 11th, 1941, the field report to Roosevelt first proposed the notion of using the lever of the Lend-Lease to push Chiang towards reform by liberalizing and broadening the regime to include the communists. Upon return to the U.S., Currie actively searched for a candidate to be 'political adviser' to Chiang Kai-shek, ending in the recommendation of Owen Lattimore whose announcement on June 28th had kept the Chinese ambassador in the dark. Currie was also said to be responsible for expediting the formation of the American Volunteer Group in which retired military pilots were released for service under Claire Chennault the personal adviser to Chiang Kai-shek.

You may ask why the U.S.A. ever got involved in China over WWII. It could be a Soviet setup, i.e., Operation Snow. That is, to provoke a war between the U.S. and Japan. After the German attack on the Soviet Union, it tacked on urgency, which was to let the U.S. enter the war through the backdoor so as to rescue 'mother Russia' as Roosevelt's decision-making was controlled by the Soviet agents. The Russians, after signing a neutrality pact with Japan on April 13th, 1941 [by betraying the 1937 non-aggression treaty between China and the USSR], had sealed off China's continental exit to the north and northwest. The Russians (i.e., Soviets), being concerned that China could lose the resistance to Japan, could have secretly ordered their proxies, Lauchlin Currie & Harry Dexter White, among others, to recommend to Roosevelt that China be given the Lend-Lease materials. Blindfolding the Chinese communists as well as the ultra-left Soviet embassy officials in China, the Soviet leadership hinted to Chinese officials that China should contact the U.S.A. direct for assistance. For China to be given the Lend-Lease materials, the Comintern agents devised two strangle strategies, i.e., i) Currie's linking the lend-lease to China's political reform [by incorporating the Chinese communists] at the time of war; and ii) Marshall and Stilwell's controlling the flow of the lend-lease materials as a bargaining chip over the control of the Chinese military. (Alternatively speaking, the Russians, British and American decided to give China some limited help over worries about a possible reconciliation between Japan and Chiang Kai-shek's China, i.e., an "international game" played by Chiang Kai-shek in deliberately spreading the rumor of

working on a Japan-proposed combination of Chiang Kai-shek's Chungking Government and Whang Jingwei's Nanking Puppet Government.

As revelations from the VENONA transcripts and the Russian archives had shown, Lauchlin Currie, like Harry Dexter White, had acted as a Russian spy of the Silvermaster ring at the Treasury the Federal Reserve and the White House throughout 1930-40s. Adler and White were to create obstacles to China's wartime finance by obstructing the usage of gold as agreed upon between China and the U.S. in 1940-41 for stabilizing China's foreign exchange and finance.

## **The IPR Conspiracy against the Republic of China**

On July 19th, Owen Lattimore arrived at Chungking to assume the post of a political adviser supposedly picked by Roosevelt but made nonofficial by the State Department. This was after Owen Lattimore resigned his job at the Institute of Pacific Research IPR where he formulated a policy of "For the USSR -- back their international policy in general but without using their slogans and above all without giving them or anybody else the impression of subservience". Either before or after the China mission, Lattimore had a meeting with the Soviet consul-general, not to mention the fact that Lattimore had numerous Chinese communist agents recruited throughout his tenure at the IPR, including Chi Chao-ting Chen Han-seng Chu Tong Y.Y. Hsu -the gang who devised the United States' China policies.

At about the same time Lattimore came to Chungking, another heavy-weight Soviet spy also arrived on an ostensible mission of working on the currency stabilization board. That was Solomon Adler who came to Chungking for the Treasury Department in the summer of 1941. Accompanying the gang would be a CPUSA Chinese agent called Chi Ch'ao-ting.

## **The U.S. Scheme to Transformulate Chiang Kai-shek's Policy towards the Communists**

The U.S. scheme to transformulate Chiang Kai-shek's policy towards the communists needs to be examined both at the macro level and micro level. At the macro level, it was the Soviet agents-hijacked U.S. government that sold out China at the Tehran and Yalta. At the micro level, it was those individual Soviet agents who perpetrated the scheme against the Republic of China. The cases of Davies and Service, two U.S. State Department career officers, could be examined to show how the Soviet agents utilized the pawns and fellow travelers to carry out the scheme of sabotage every step of the way.

On July 21st, 1942, Lauchlin Currie as President Franklin Roosevelt's emissary arrived in Chongqing again and held 14 rounds of talks with Chiang Kai-shek. The topics included

would be to reformulate Chiang Kai-shek's policy towards the communists after the eruption of major military confrontations between the KMT and the CCP in prior years. The communists, throughout the war, had attacked the Chinese government troops across North China, often taking out messengers by killing to the last person, such as the case of ambushing and eliminating the Jehol vanguard army led by guerrilla leader Zhao Tong, son of double-gun Madame Zhao. At the wartime capital of Chungking, Currie demanded a meeting with Zhou Enlai (Chou En-lai), the Communist representative. Additionally, Lauchlin Currie had been authorized to investigate into the historical disputes between Chiang & Stilwell.

After Currie left Chungking, Service transferred to Shanghai. The story of Jack Service could shed light on how some kind of Masonic network played a role in the secret machinations. Service applied for transfer of posting from Shanghai to Chungking. Service disputed E.J. Kahn's account in *China Hands*, saying that Everett F. Drumright, the future anti-communist ambassador to Taiwan, might have heard about the name of Service and gave nodding to ambassador Nelson T. Johnson. Drumright, who did not fully realize the evil nature of communism in early days, had constant liaison with the communists. As recalled by Service, in the "very first few weeks" Service was in Chungking, he noted that "Drumright was having a meeting at dinner with Zhou En-lai and some of the people on Zhou En-lai's staff, and he took me [Service] along." That was, Drumright was preparing to transfer the communist contacts to Service. In Chungking, Service joined the Rotary in Chungking and a Masonic group which consisted of people "almost all Western trained, educated in America primarily, businessmen, government people, and so on." Service recalled that his father "had been a Mason in Shanghai in a lodge where he was one of the very few foreigners" but he "eventually joined another Masonic network".

In the month of Aug, 1942, the U.S. officially acknowledged Claire Chennault's American Volunteer Group i.e. the "Flying Tigers" as the U.S. Airforce 10th Group. However, during the transition, the volunteer pilots were left in limbo as to their re-assignment and out of paycheck, with a few taking fights to the sky to fight the Japanese on their own accord. The other mis-management would be the asset transfer, i.e. the planes purchased with the Chinese funds going into the American government control as a result of the Chinese acquiescence and naivety. In fact, throughout the war, the American aid of the early years could not compensate the amount of the inverse-lend-lease that the Chinese government incurred in providing the necessity and service to the American staff which jumped to an extraordinarily high number by 1944.

At the turn of 1942-1943, when Service was back in the U.S., he circulated a KMT-CCP-related memorandum of January 23, 1943. Per Service, "I [Service] was talking to people like Donovan and OSS people, Currie. After all, I gave Currie a copy. It was passed around quite widely. The State Department was concerned...I [Service] was being called to go to all sorts of debriefing sessions at OSS and the army MIS [Military Intelligence Section], and Navy ONI [Office of Naval Intelligence]." Hornbeck, later in 1944, in a

comment on an embassy despatch which was attached with another Service-drafted memo regarding the Wallace visit to China and utilization of the visit to pressure Chiang Kai-shek on the matter of allowing a U.S. Dixie Mission to visit the communists in Yen-an, "turned to refresh my [Hornbeck's] knowledge of its author [Jack Service]", which was to do with Jack Service's memo. Termed "memorandum of January 23, 1943". this was a controversial memo which the State Department had to go back and forth between Chungking and the State Department to modify into an acceptable copy for records inserted into the archives of "Foreign Relations, 1943, China" (United States Department of State Foreign relations of the United States: diplomatic papers, 1943. China (1943)). On page 193-199 of "Foreign Relations, 1943, China", Service, in the memo entitled "Memorandum by the Third Secretary of Embassy in China (Service), Temporarily in the United States", claimed under the heading "Kuomintang-Communist Situation" that "It is now no longer wondered whether civil war can be avoided, but rather whether it can be delayed at least until after a victory over Japan (p. 193)"..."The possible positive military value of the Communist army to our war effort should not be ignored...(p. 195)"..."The Communists themselves (Chou En-lai and Lin Biao in a conversation with John Carter Vincent and the undersigned about November 20, 1942) consider that foreign influence (obviously American) with the Kuomintang is the only force that may be able to improve the situation...Another suggestion is some sort of recognition of the Chinese Communist army as a participant in the war against fascism... The Communists hope this might include a specification that the Communist armies receive a proportionate share of American supplies sent to China...(p. 197)" On page 201 of Foreign Relations, 1943, China, Hornbeck, overrode Service in stating on January 30, 1943, that "We should, I think, maintain an attitude of intelligent skepticism with regard to reports emphasizing the strength of the "Communist" forces in China and expressing apprehensiveness that civil war in China may be imminent." Hornbeck refuted the absurd idea from the embassy as to providing arms to the "Communists" and believed that "playing both sides in a foreign country"..."would be both vicious and stupid...The Japanese have followed such courses..." Half a year later, in London, Hornbeck tried to sync up with the British Foreign Office on the matter of dealing with the Chinese Communists, claiming that the Chinese Communists were of no importance (Christopher G. Thorne, *Allies of a Kind: the United States, Britain and the War Against Japan, 1941-1945*, London: Hamilton, 1978). Hornbeck was naive about the British colonialist design on China, of course. The British intelligence had a wide collaboration with the Chinese communists against the common enemy, i.e., the government of the Republic of China. To make sure that China would not recover HK post-WWII, the British made sure that China would not emerge from the war in a strong position.

According to Service, about the time Mme Chiang visited the U.S. [and On February 18, 1943 addressed both houses of the U.S. Congress.], "Currie wanted me [Service] to talk to other people, spread the word that things in China were not the rosy picture that the press was spreading." Basically, "...he [Currie] wanted me [Service] to write him letters from the field. Well, he [Currie] hoped that I [Service] would keep him [Currie] briefed on things of special interest. What he [Currie] was particularly anxious for was that if I

[Service] wrote a report or knew of a report that would be especially interesting to him [Currie], to alert him [Currie] to its existence." Currie specifically inquired with Service about Service's 1942 trip to the northwest, namely, a trip Service took to the area "around Gansu, Tsinghai, Shaanxi, Henan, and so on". This inquiry was perhaps related to the big incident made by the communists worldwide, namely, the Henan Famine. When Service returned to Chungking after the long trip from late July to early November 1942, he was rebuked by ambassador Gauss for not filing a report on famine, i.e, the anti-Chiang buzz word at the time. (In Service's words, "The famine was partly because of the crop failure, but also because of the tremendous impositions of hundreds of thousands of Chinese soldiers." Service did not go deep into Henan because Willkie had arrived in China and Service wanted to get a role in the reception.) Vincent, either an undercover Soviet agent or a serious dupe who later confessed to Wellington Koo that he had given the Chinese ambassador overdue hardship throughout the Chinese civil war years of 1945-1949, told Service "follow your own judgment" as far as tipping Currie was concerned. Vincent was Service's boss and "number two" in the American embassy in Chungking. Later, when Service joined Stilwell's staff and worked under John Davies - Service's childhood pal, he found out that "John had some contacts established. He already had his communications with people like Currie and with Harry Hopkins (Personal Representative to Roosevelt on Chinese Economics) and various other people including influential senators." (Currie visited China early in '41, and in the summer of '42, and knew Vincent and "were in correspondence with each other", while Service did not meet Currie on both occasions and hence Vincent wanted Service to meet Currie.)

In Service's opinion, Currie "was involved in Lend-Lease, ... one of his standing assignments was China." The Chinese of course thought that Stilwell was the only person at fault for the craps that the Americans did to China, namely, a supply of meager amounts of Lend Lease at US\$26 million for 1941 (mostly squandered in Burma in the aftermath of the Japanese invasion), US\$100 million for 1942, US\$49 million for 1943, and US\$53 million for 1944. The two apparently believed in the same as Service said he "expected that the situation in China was eventually going to blow up" while Currie "indicated that he generally agreed with my [Service] views." Currie gave Service "the impression that 'the man across the street' [Roosevelt] shared his thinking." During this meeting, Currie asked Service to "Help Build 'Backfire' to Counter Mme. Chiang's Propaganda Furor", namely, Mme. Chiang's whirlwind that was taken by Currie to be "a terrific furor--furor of propaganda favorable to the Kuomintang". Per Service, Currie "said that it was a real problem and something had to be done to 'build a backfire'--the phrase he used--against this publicity. She was appealing over the head of the president by going directly to Congress, stirring up a lot of sympathy for aid to China, really attacking the whole strategy of the war, which was Germany first and the Far East second. This strategy was something that a lot of the Republicans, Luce and the China group, never accepted." Here, we could see why Currie, Hopkins, Marshall, et al., and the gang, did everything for the benefits of the Soviet Union by yielding the right of way for Stalin in Europe as far as the Anglo-American landings in Europe were concerned, and as far as reserving the

sphere of influence for Stalin to grab by postponing the war developments in the Asian battlefield.

Service, who returned to the U.S. in 1942 in the capacity of an American political adviser in China, then in early April [1943] went back to China, with "a whole bunch of us [them]". During the stay in the U.S., Service, for his "reporting from Chungking", was complimented by Alger Hiss, an undercover Soviet spy in the State Department. Back in China, in about "August, '43", Service, again under the influence of childhood pal, pushed "to establish contacts with the Communist areas to find out what was happening in north China", an idea that he claimed was brought up by him as well as by 'mentor' Davies who "apparently always thought that I [Service] would be a good man for that [i.e., bringing up the idea]." Davies at one time attempted to use Roosevelt's son, James, to "head up the group" for visiting the communists.

Service travelled with Stilwell back to the States few times and travelled with Stilwell to the Cairo conference (November 22–26, 1943). At about the time Service returned to Chungking, Vincent was transferred back to the State Department to be head of the China Affairs section. George Atcheson became deputy chief of mission, i.e. number two in the U.S. embassy in Chungking. Service then took a two-month trip to the northwest, namely, a trip to Lanzhou, with an incidental mission to pass on two hundred thousand Chinese dollars from Commodore Miles ("Mary" Miles), to OSS contact Tolstoy (Leo Tolstoy's grandson), on which occasion Service explored the possibility of moving along the Yellow River to sneak into the communist territory. Service, apparently someone useful, was assigned by someone [Vincent in Service's opinion] in the State Department to Stilwell's staff [in the American military] in August, 1943. While Davies was with Stilwell in the CBI Theater, Service was with Stilwell in China. Service wrote a memorandum of January 23, 1944 to report on the northwest trip

In early 1944, Service travelled to Xi'an to check on the Chinese troops, with a purported purpose of creating a 'detente' onto the Chinese armies which were rumored by the communists to be in preparation for an invasion of the communist base of Yen-an. (Were the communists wary of a government counterattack over the communists' bloody purge of the government troops, government guerrillas and provincial armies in Japan-occupied territories?) Service, upon return to Chungking in about February of '44, accepted the offer of friend Solomon Adler, the U.S. Treasury Attaché and the American member of the Stabilization Board, to live in downtown Chungking, in lieu of the U.S. army headquarters. Adler, i.e., a Soviet agent in the U.S. treasury department and an associate of Soviet agent Harry Dexter White, was living in H.H. Kung-owned residence together with another Chinese-Soviet spy, Chi Ch'ao-Ting, who was a member of the CPUSA Chinese from the 1925 Qinghua U. Service claimed that he and Adler, who was keenly interested in politics [other than economics], "compared notes and worked together very closely" and that his "moving to a room in his apartment on the second floor was more than just a convenience". Service, not knowing Adler was a Soviet agent for the most of his life, confessed that this live-in "facilitated our own collaboration, which really is the

right word to use, on a lot of the reporting that I did." One example was their attempt, including Adler and Chi, to slander Generalissimo Chiang Kai-shek's book, *China's Destiny*, a piece of work that the IPR agents picked up in the U.S. and made into a critique kind of book. The other consideration for the live-in had to be Service's affairs with Yun-Ju, "one of the three or four top actresses in Chungking", whom "Sol was willing to let ... move in, ..., lived at Adler's with me [Service] for several months". Service was warned that this woman was a dangerous person, possibly inferring to the possibility that the woman had something to do with the communists.

The significant step in the Soviet agents' attempt to solve the China problem was to get the Chinese communists break out of the isolation they were boxed in or they boxed themselves in. Service, in collaboration with Soviet agent Adler [and of course CPUSA Chinese saboteur Chi Ch'ao-ting] worked on a scheme to have Vice President Wallace and George Marshall pretentiously present a message from President Roosevelt to allow the Americans visit Yen-an, i.e., the formation of the Dixie Mission. Service claimed that during this time period, namely, after the return from Xi'an and prior to the Wallace's June mission, he "got a tremendous amount of work done. I [Service] was in a kind of exhilaration, ..., partly with being in love [with Yun-Ju] but partly just the excitement of friends [i.e., Adler and Yun-Ju's circles] and events." So to say that when the playboys were busily screwing women in China, they were screwing China's fate.

## **The Dixie Mission: the United States Army Observer Group in Yen-an, 1944**

Reference: David D. Barrett, *Dixie Mission: the United States Army Observer Group in Yen-an, 1944*, Center for Chinese Studies, University of California, Berkeley, 1970)

On June 21st, 1944, the U.S. Vice President, Wallace, came to see Chiang Kai-shek and emphasized the need of cooperation with the CCP in three rounds of talks. Vice-President Henry A. Wallace and Chiang Kai-shek made a statement on "requirements for peace in the Pacific area" on June 24, 1944. Wallace visits would make it possible for the US "Military Observer's Mission", aka the Dixie Mission, to visit Mao Tse-tung in Yen-an. This turned out to be a Soviet scheme to turn around the events in China as the American mission, mostly pro-communists, later played the role of flying all communist commanders to the civil war battlefields from their hibernation and rectification movements in Yen-an. More, those pro-communist Americans stayed till the last minute that the 1947 Battle for Yen-an was to start, serving voluntarily as human shields to make sure that the American planes would fly out all explicit-identity communists from the government-controlled areas to Yen-an.

John Service of the U.S. State Department at one time claimed to Roosevelt that Mao Tse-tung would be likely leader of China after the war, which purportedly led to the Wallace

delegation to China on June 21st, 1944 as well as a mission to the communist base of Yen-an.

As disclosed by John Service, he was the pawn at the front to push for the American mission to be sent to Yen-an. As Chiang Kai-shek would allow the Americans go anywhere in North China other than the communist territory, Service and Adler, i.e., the Comintern agent at the Treasury Department, devised a means to pressure Chiang by using Wallace's visit as well as the assistance from George Marshall. To solve the "the question of getting permission to go to Yen-an", Service thought Marshall's message would be taken by Chiang to be something from the White House, namely, more forceful to the ears of Chiang Kai-shek. Wallace's visit was counted as another try. So Service et al., "drafted a message referring to various earlier messages", mentioning that Chiang had concurred previously with a request from the White House to allow them to "go to north China, any areas under Kuomintang control" which "of course ... was not what we [they] wanted." Service et al., "drafted a message to the War Department for [General George] Marshall summing up all this and suggesting that Wallace's visit would be a good time for a push. We [they] got a message back which, as I [Service] recall, simply said that the White House had agreed that our [their] message could be given to Chiang Kai-shek as being from the White House." (Other than the channel of George Marshall, Service disclosed that Davies had attempted to use James, Roosevelt's son, as a figurehead to lead a delegation to visiting the communists in the attempt of breaking the communist isolation.)

Contained in Stanley K. Hornbeck Papers--Box 381 was the so-called "John Service File" stamped July 27, 1944. This was a dispatch from Chungking entitled "The Situation in China", attached with a memorandum under the title "The Situation in China and Suggestions Regarding American Policy." Ambassador Gauss, who was to quit in September, in particular called to the attention of the first 9 pages, which was in Hornbeck's opinion "an indictment of the Kuomintang and Chiang Kai-shek." In outline, it stated: "The situation in China is rapidly becoming critical. ...The position of the Kuomintang and the Generalissimo is weaker than it has been for the past ten years. The Kuomintang is not only proving itself incapable of averting a debacle by its own initiative: on the contrary, its policies are policies precipitating the crisis. On the internal political front the desire of the Kuomintang leaders to perpetuate their own power overrides all other considerations. On the economic front the Kuomintang is showing itself inept and selfishly short-sighted by progressive estrangement of its allies. On the military front the Kuomintang appears to have decided to let America win the war and to have withdrawn for all practical purposes from active participation. These apparently suicidal policies of the Kuomintang have their roots in the composition and nature of the Party. The present policies of the Kuomintang seem certain of failure: if that failure results in a collapse of China it will have consequences disastrous both to our immediate military plans and our long-term interests in the Far East." The proposition was: "There are, however, active and constructive forces [i.e., the communists] in China opposed to the present trends of the Kuomintang leadership which, if given a chance, might avert the threatened collapse."

Two pages (pp. 10-11) elaborated the point "Democratic reform is the crux of all important Chinese problems, military, economic, and political." In part II of this memorandum (pages 11-19), it suggested a new American policy. Claiming that "the Kuomintang's dependence can give us [i.e., the Americans] great influence. There are three general alternatives open to us. Our choice between these alternatives must be determined by our objectives in China. We should adopt the third alternative--a coordinated and positive policy. This positive policy should be political. The implementation of this political policy, though difficult in some respects, is practical and can be carried out by many means..."

Communist China, always looking for a straw to repair its bloody image in the world community, cited Service's memo as a vindication of the American viewpoints. See [http://www.china.org.cn/arts/2011-06/30/content\\_22890344\\_4.htm](http://www.china.org.cn/arts/2011-06/30/content_22890344_4.htm) The communists, at [http://www.china.org.cn/arts/2011-06/30/content\\_22890344\\_4.htm](http://www.china.org.cn/arts/2011-06/30/content_22890344_4.htm) claimed that Service, "as a government official of the US State Department and political adviser to the US military commander of the China-Burma-India Theater", sent to the U.S. State Department a copy of "The Situation in China and Suggestions Regarding American Policy" on June 20, 1944, in which he stated that "the break between the Kuomintang and the Communists not only shows no signs of being closed, but grows more critical with the passage of time; the inevitability of civil war is now generally accepted."

As recalled by Service, he drafted "the June 20 thing" and prepared "several copies" of the memorandum which he "wrote with the collaboration of Adler for Wallace's visit". Henry Wallace later expressed concern that Chiang Kai-shek could become China's Kerensky after the war. The creep was in fact making the matter to come true. (Prior to the China stop, Henry Wallace, accompanied by Owen Lattimore of the U.S. Office of War Information, had visited the Soviet gulags such as Kolyma and Magadan and truly believed in pro-Soviet propaganda. It would be in 1952 that Wallace published *Why I Was Wrong*, in which he explained that his seemingly-trusting stance towards the Soviet Union and Stalin stemmed from inadequate information about Stalin's excesses.)

On July 22, 1944, Jack Service et al., and the Dixie Mission finally arrived in Yen-an. The team was headed by Barrett. Per Service, he "had earlier on had a talk with Stilwell and suggested that the logical man to go was Barrett, and Stilwell agreed." The Dixie Mission consisted of sixteen people purportedly canvassed from "the various operating agencies in the theater ...--the Twentieth Bomber Command, the people in Chengdu, the B-29's, the Fourteenth Air Force, the OSS of course. Then there were various OSS groups that were put under Fourteenth Air Force, air grand rescue service, and photo, something like photo--and specialists that the Fourteenth Air Force didn't have that OSS was able to supply." The Fourteenth Air Force did not send anyone. As the communist propaganda at [http://www.china.org.cn/arts/2011-06/30/content\\_22890344\\_4.htm](http://www.china.org.cn/arts/2011-06/30/content_22890344_4.htm) stated, Service the pawn wrote the crap to the effect that in Yen-an "All of our party have had the same feeling - that we have come into a different country and are meeting a different people." Mao Tse-tung, resenting the U.S. [nominal] support for Chiang Kai-shek, claimed to

David Barrett that there would be one day when you Americans could not prop up [the Nationalist regime] any more. Separately, Mao Tse-tung claimed to John Service that each and every American soldier should be a live advertisement of democracy in China. Mao the dictator meantime restricted the Americans' access to the places in Yen-an that he did not want the Americans to be, including the quarter where Vladimirov and the Soviets stayed. Vladimirov, who was fed up with Mao's stamping out the Moscow faction in the Rectification Movement and the communist refusal to engage in active battles against the Japanese for alleviating the Japanese pressure on the Soviet Siberia front, of course felt irked by Mao's playing the American cards.

During this time period, Service filed the below reports on the communists: "Designation of communist-controlled areas with sketched maps" on August 16, 1944; "Communist charges against General Yen Hsi-shan" on August 19, 1944; "Interview with Mao Tse-tung" on August 27, 1944; "Reasons for giving American military aid to the Communists" on August 29, 1944; "Distribution of troops and rifles for Chinese Communists" on August 30, 1944; "Reasons for America forming a definite policy toward the Communists" on September 3, 1944; "Impressions of the character of the Communist leaders" on September 4, 1944; "Growth of the New Fourth Army" on September 4, 1944; "Chinese Communist response to Chiang Kai-shek's opening speech of the Third Session of the Third Peoples Political Council" on September 8, 1944; "Development of Communist control over guerrilla bases" on September 10, 1944; and "Adopting a more realistic attitude toward Chiang Kai-shek" on October 10, 1944.

### **The Stilwell Incident, Rifts Between the U.S. & China**

On July 6th [July 7th per ZLA], 1944, Franklin Roosevelt wired to Chiang Kai-shek with a suggestion that Joe Stilwell, now promoted to four star general, be empowered as commander-in-chief of the War in the China Theater. This would be termed "Telegram, Franklin D. Roosevelt to Chiang, regarding placing Joseph Stilwell in command of armed forces in China, July 6, 1944" or "Encouraging appointment of Joseph W. Stilwell as commander of Chinese forces". Back on July 21st, 1942, President Franklin Roosevelt's emissary, Lauchlin Currie, arrived in Chungking a second time. Lauchlin Currie had been authorized to investigate into the historical disputes between Chiang & Stilwell, with a decision that Stilwell concentrate on training the Chinese soldiers in India and report to Chiang Kai-shek in the name of "tactician-in-general" [Chief of Staff Strategists] for the Chinese war theater. Stilwell, with tips from Marshall, managed to bribe Mme Chiang Kai-shek and Mme Kong Xiangxi to ward off the dismissal request by Chiang Kai-shek; however, Song Ziwen went into a quarrel with Chiang Kai-shek over Stilwell by claiming that he would lose his credibility with those American friends who helped to oust Stilwell.

On July 15, 1944, Chiang Kai-shek responded to Roosevelt to accept the suggestion to appoint Stilwell as commander of the Chinese forces. On August 11, 1944, Harry Hopkins telegraphed to Joseph W. Stilwell with a message "Asking Stilwell to encourage Chiang Kai-shek to answer Roosevelt's message." On August 22, 1944,

Roosevelt telegraphed to Chiang Kai-shek again in regards to "Stilwell command of Chinese troops". Thinking that Stilwell was inclined for arming the communist forces and hijacking the Nationalist government, Chiang Kai-shek had been resisting Roosevelt's suggestion for months, even though U.S. Vice President Henry Wallace came in late June and Patrick Hurley came on Sept 6th with the U.S. president's message. (P.J. Hurley, in November, 1943, had conferred with Chiang Kai-shek in regards to the Tehran conference and war in China. Chiang asked Kong Xiangxi mediate over the matter by contacting Hopkins, ending in the mission of special envoy Hurley to China. On August 10, 1944, Franklin D. Roosevelt wired Chiang Kai-shek about General Hurley's designation as President Roosevelt's personal representative. On Aug. 19, 1944, Roosevelt informed Chiang Kai-shek of introducing P.J. Hurley as personal representative on military matters. Patrick Jay Hurley, promoted (1944) to major general, was sent to China as envoy [and proxy ambassador] in Aug 1944. American ambassador Gauss [Gao-si], who was pro-communist, returned to the U.S. in Sept.)

Stilwell, surrounded by the Comintern agents, IPR agents and pro-communist fellow travelers, had constantly complained that Chiang Kai-shek refused to relocate Hu Zongnan's forces away from Shenxi Province where a blockade of communist Yen'an was in effect for years. Indeed, during the Ichigo Campaign in the spring of 1944, the communist forces penetrated into the Henan mountains and attacked the compatriots instead of the Japanese. Li Ao gloated that Chiang Kai-shek's efforts at recalling partial of the Chinese Expedition Forces from Burma had antagonized Roosevelt so much that Roosevelt threatened Chiang with suspension of all [limited] U.S. military supplies in a letter that Stilwell passed on to Chiang Kai-shek on Sept 19th, 1944 against the objection of Hurley. With the Nationalist Army weakened by the Japanese Ichigo Campaign, the communists dispatched Wang Zhen and two brigades to the Hunan-Guangdong provincial border, across the Yangtze, for launching an enclave. Additionally, Mao in 1944 interrupted the Rectification Movement to send lieutenants to Henan to launch a communist enclave, and ordered Peng Xuefeng to attack west from the Jiangsu-Anhui borderline. All this was after the communists reached some agreement with the Japanese who extradited Li Desheng, a Sorge-related communist agent, from prison in Tokyo, for travel to the New 4th Army headquarters in Luhe to strike a deal with the communists to attack the Chinese government troops.

On September 7, 1944, Joseph W. Stilwell telegraphed George C. Marshall in regards to "Cooperation of Chiang Kai-shek". On September 8, 1944, Hurley reported to Franklin D. Roosevelt and George C. Marshall in regards to "Conference for organization of all military forces in China". On September 10, 1944, Chiang Kai-shek gave a memo to Hurley, attacking Joseph W. Stilwell. Meanwhile, communist army commander Chu Teh pretentiously sent over an invitation to Hurley, namely, "Invitation to inspect Chinese [communist] forces" on September 11, 1944. In regards to the dispute between Chiang Kai-shek and Stilwell over the priority of military operations in Burma and against the Japanese Ichigo Campaign, Franklin D. Roosevelt wired to Chiang Kai-shek a telegram on

September 18, 1944, termed "Maintaining and increasing Chinese pressure in North Burma."

On September 20, 1944, Joseph W. Stilwell reported to George C. Marshall in regards to the message delivered to him. After receiving American president-stamped Sept 18th order, which was obtained after the facilitation of a friend [Marshall] in the U.S. military back in DC, Stilwell rushed to Chiang Kai-shek's office the following afternoon with an ultimatum without regard for the persuasion from Hurley. Stilwell arrogantly told Hurley that he had no right to delay the U.S. President's order. Hurley and Nelson paid a visit to Chiang Kai-shek on the 20th. On September 21, 1944, Hurley telegrammed to Franklin D. Roosevelt in regards to "Status of negotiations with Chiang Kai-shek". On the 22nd, Roosevelt sent a message to Chiang Kai-shek in regards to "Urging appointment of Joseph Stilwell as commander of Chinese forces". August 22, 1944. About this time, Walter S. Judd, the future pro-Taiwan US congressman, arrived in Chungking. On September 23, 1944, Stilwell gave Hurley a memo entitled "Proposed items to take up with Chiang Kai-shek".

On September 25, 1944, Chiang Kai-shek telegraphed Franklin D. Roosevelt with "Decision of Chiang Kai-shek not to appoint Joseph W. Stilwell as commander of Chinese forces". Chiang Kai-shek countered the insult with a demand on Sept 25th that Stilwell must be replaced. A meeting was held by Chiang Kai-shek on Sept 28th to break away from cooperation with the U.S. since Stilwell had threatened to withdraw all U.S. personnel from the Chinese battlefield previously. From Sept 25th to Oct 19th, Chiang Kai-shek was in agony per ZLA: Japan, after routing the Chinese forces in the Hunan-Guangxi Campaign, were threatening Guilin & Liuzhou as well as Kunming, whereas Stilwell refused to dispatch Wei Lihuang's Chinese forces (i.e., the Y-force) to Kunming or attack Bhamo of Burma from Myitkyina with the X-force as a distraction. Stilwell countered Chiang Kai-shek by claiming that Chiang Kai-shek should relocate Hu Zongnan's troops away from the encirclement of the communist forces since the communists had promised to attack the Japanese in Hankow of Hubei Province from Shanxi-Henan provinces should they receive the U.S. equipment. The truth was that communist generals, such as Pi Dingjun, who just finished chasing women in Yenan and got married under the arranged matrimony through senior communist leaders, were en route to the areas of Henan-Shanxi provinces to launch the communist enclaves by taking advantage of the Japanese campaign.

In Washington D.C., H H Kung managed to talk with Harry Hopkins about the situation in China, impressing the Soviet agent with equating the crisis to losing China as a pillar in the anti-Japanese war. On October 1, 1944, T. V. Soong passed on to Hurley the minutes about "Conversation between Hopkins and Kung". Stilwell, having caught wind of possible change of fortune, sent a message to George C. Marshall in regards to "Rumor that Claire Chennault is to replace Stilwell" on October 5, 1944. On October 6, 1944, Hurley delivered to Joseph W. Stilwell an "Important message from Washington", while replied to Franklin D. Roosevelt "Acknowledging receipt of message from Roosevelt". On

October 6, 1944, the same day, Roosevelt delivered a message to Chiang Kai-shek in regards to "Regretting decision refusing to appoint Joseph W. Stilwell Commander of the Chinese forces". Hurley subsequently informed Roosevelt of Chiang Kai-shek's reaction to Roosevelt telegram of regretting the Stilwell's nonconfirmation decision. From the 6th to the 7th, Hurley, Roosevelt and Chiang discussed "General Stilwell situation", while Stilwell separately disputed with Joseph Harry Hopkins "Concerning controversy over Kung Statement".

On October 8, 1944, Chiang Kai-shek officially sent a message to Roosevelt in request for removal of Stilwell, which was termed "Draft requesting removal of Joseph W. Stilwell". On October 9, 1944, Chiang Kai-shek submitted a message to Hurley, accompanied by Aide Memoire drafted by T. V. Soong, termed "Justifying his request to remove Joseph W. Stilwell". On the night of Oct 10th, Hurley reported to Roosevelt the bad blood between Chiang and Stilwell through a special Navy channel that circumvented around George Marshall's War Department, with an admonition to the effect of either losing Chiang Kai-shek & China or losing Stilwell. In Hurley's telegram to Franklin D. Roosevelt concerning "Requesting removal of Joseph W. Stilwell", he included a copy of Chiang Kai-shek telegram and aide memoire of T. V. Soong. Separately, in another October 10, 1944, telegram, Hurley reported to Franklin D. Roosevelt about "Joseph W. Stilwell conflict and Nationalist relations."

Meanwhile, on October 10, Claire Chennault complained to Hurley about Stilwell, termed "Restriction of aviation supplies for Fourteenth Air Force", while John Service, not knowing the change of whims in Washington D.C., drafted a memo to Joseph W. Stilwell, entitled "U. S. should cease support of Chiang Kai-shek" on October 10, 1944.

After some round of discussion between Roosevelt and Hurley in regards to the Stilwell situation, Roosevelt on the 14th first mentioned to Hurley the issue of "Replacement of Joseph W. Stilwell", to which Hurley responded the next day. On Oct 19th, Roosevelt replied to Hurley to have Stilwell recalled. Roosevelt's telegram to Chiang Kai-shek on the 19th was entitled "Recall of Joseph W. Stilwell and appointment of Albert C. Wedemeyer". Roosevelt decided to dispatch Albert Wedemeyer as a replacement. On October 20, Chiang replied to Roosevelt, "Accepting Albert C. Wedemeyer as commander of Chinese forces". (On the 20th, Hurley reported to Roosevelt that Chiang intended to give Stilwell a decoration, which Stilwell subsequently declined.)

Service learnt from E.J. McNally that the talk back in Chungking "was not about how to get Stilwell his Chinese command, but whether or not Stilwell's job could be saved". Service drafted the "famous memorandum of October 10 that caused so much hullabaloo later on", which was mainly something to the effect that "Chiang Kai-shek is not China". Nevertheless, "Stilwell was recalled about a week after that." Davies, who wanted to come up to Yenan, came up with an idea to have Service depart Yenan for a trip "back to the United States with Stilwell--simultaneously but not on the same plane." As recalled by Service, "Davies assumed that Stilwell's going back would provoke some policy

discussions." Service, having received the order from Davies, left Yen-an. Service claimed to have taken a 'big map' with him. This would be a three by five feet map that communist chief of staff Yeh Chien-Ying gave him when he left Yen-an, a map of north China on a scale of perhaps one in two or three million but having no [military] classification, that purportedly pinpointed the presence of communist guerrilla and armies throughout the Japanese-occupied territory.

Stilwell returned to the U.S. on Oct 25th via New Delhi after inspecting on his Chinese expedition forces in Myitkyina on Oct 20th. Jack Service, B. Atkinson & Theodore White ["Bai Xiude" in Chinese], some being members of the four-person playboys in wartime Chinese capital Chungking, accompanied Stilwell home [but made arrangement not to be on the same plane as Stilwell as instructed by Davies], and then blasted Chiang Kai-shek as 'peanut' in the U.S. media. The gang who accompanied Stilwell in leaving China included Teddy White and Brooks Atkinson, and Daryl Berrigan et al. As disclosed by Service, Brooks Atkinson, who flew home on the same plane, penned the article for Service to take to the New York Times, i.e., "Brooks' big expose on the Stilwell recall", and a blast at "appeasing a corrupt regime [namely, the ROC regime]", which "was written from the Stilwell point of view". As "the first person back to Washington who'd been in Yen-an", Service, in the U.S., during the debriefings and seminars to the military, to G-2 in the Pentagon, and IPR etc, talked up the purported communist strength and "the extent of Communist controlled areas of China", and showed the map "to military, to G-2 in the Pentagon", to Harry Hopkins (i.e., the Soviet agent), in IPR-arranged session, and in "briefings and talks around Washington". Later forbidden to show the maps as it had marked the positions of the nationalist army, Service claimed that in fact "exactly the same map was published in a book written by Harrison Forman who was one of the correspondents in China at the time."

On Oct 31st, Wedemeyer arrived in Chungking. After arriving in Chungking, Wedemeyer immediately established the "chief-of-staff" office that Stilwell did not even bother to work on. In Nov 1944, Chiang Kai-shek adopted the American advice in reforming the "jun [military] ling [order] bu [department]" of the military commission by replacing Heh Yingqin with Chen Cheng, which led to the transformation of the military commission to the Defense Department after the Japanese surrender.

Chiang Kai-shek, deeply resentful over Stilwell over the monopolizing right over the U.S. Lend-Lease goods and equipment, had wrongly treated Stilwell without knowing the crony relationship between Stilwell and Marshall. Meanwhile, Chennault, with an ambition for taking over the control of the Chinese war theater in place of Stilwell, had proposed to defeat Japan with merely 500 fighter planes, i.e., a request with Roosevelt that Stilwell had deliberately short-circuited by acting in the role of commander-in-chief of the Sino-Burmese Battlefield and American military representative to China. Throughout the war, Stilwell had only equipped the Chinese expeditionary forces in India [i.e., X Force] and partially equipped Stilwell's Chinese Y Force that was supposedly to come out of Yunnan-Burmese border; however, the U.S. offer to equip 60 divisions of

Chinese army never materialized. A perusal of the American list of weapons supplied showed that the Y-force had merely received some heavy equipment from the Americans while the light weapons were mostly China-made. With Stilwell's success in the Myitkyina Campaign against the Japanese, Chiang Kai-shek, privately thinking that it was built on top of tens of thousands of Chinese deaths, would blame the debacle of the Xiang-Gui [Hunan-Guangxi] Campaign on Stilwell's relocating the crack forces towards Burma. Chennault, after wrestling over control over the U.S. 14th Flight Group, also believed that China would not suffer the Xiang-Gui debacle should Stilwell have steered enough of the U.S. Lease Act goods to his airforce in China. Per Donovan Webster, at one time during the Xiang-Gui [Hunan-Guangxi] Campaign, Stilwell was called over to Chiang Kai-shek's mansion where Chennault complained that his pilots had to moor the planes on the airfield for lack of petrol gas, but Stilwell did not even wink about it. (Both Stilwell and McArthur had suffered from a revenge mentality over their humiliation in the loss of the Philippines and Burma, respectively. To fulfill the ego, e.g., "I shall return [to Manila]", McArthur had overturned Admiral Nimitz's plan to attack Taiwan & Mainland China by orchestrating the campaign against the Philippines [see Gerhard L. Weinberg's "A World At Arms"].)

Per Service, "the Kuomintang solution of the Stilwell problem was that it was these young advisers misinforming Stilwell." So, Davies and Service were "named around the world" as the culprits in "early November, 1944". In here, Service was definitely a pawn of the Soviet agents as almost every and each person he cohorted with was a validated Soviet spy, including Adler, White, and Hopkins et al.

The Stilwell Incident, per ZLA, would lead to Roosevelt's dark-box operation, i.e., betraying China's interests to the USSR. Zhang Ling'ao stated that the U.S. privately believed that should Japan surrender, the puppet forces might throw themselves into the communist camp, hence strengthening the communist forces; that Marshall intended to incorporate the communist forces under the omnipotent U.S. helm for fight against Japan; that the U.S. contacted Joseph Stalin in request of an airport inside the Russian territory for attacking the Japanese; and that the U.S. believed that they had better give Manchuria to the USSR rather than seeing the penetration of the Russian Red Army into northern China via the routes of Outer Mongolia & Inner Mongolia. Zhang Ling'ao of course did not know the truth in VENONA, namely, the U.S. government being hijacked by the Soviet agents. Marshall's plan to strike a deal with the Chinese communists in landing the American force on the Chinese coast was a cover to provide aid to the Chinese communists. Though, the Chinese communists, after catching the wind from the Potsdam Declaration, decided to sync up with Moscow in fending off the Americans and hence renegaded on the deal with the Americans, namely, the Soviet-agents-hijacked OSS and Dixie Mission.

## The OSS Steering the Korean Restoration Army to the Communist Side

The Koreans had a Restoration Army in China since the 1910s. They enrolled in the Whampoa Academy in 1920s by about 100-200. Very few Koreans joined the Chinese communists. Only two among the dozens of Koreans, who enrolled in the Whampoa Academy as cadets, survived the communist Long March, with one surviving the later wars to go back to North Korea. The hundreds of the CCP-controlled Koreans came from the steering-away of a portion of the Korean Restoration Army that were trained by the Chinese nationalists at the war-time capital Chungking, but were steered away to the communists possibly under a scheme of the American OSS which was hijacked by the Russian spies.

In the 1930s, the Koreans split into two factions. The KOREAN RESTORATION ARMY, however, continued to operate under Chiang Kai-shek till the early 1940s. Then, Zhou Enlai instructed Sima Lu in penetrating the Chongqing Korean Independence Army Headquarters. About hundreds of the Korean Restoration Army cadres were steered to the communist camp en route to the north to fight the Japanese. The root cause would be an OSS covert operation, or put it in that way, a deliberate Soviet spy operation inside of the OSS to steer the Koreans to the communist side on the pretext of helping to equip the Koreans for the war against Japan. In 1949-1950, Mao sorted out 60-70,000 Korean ethnic PLA soldiers and dispatched to Korea at the request of Kim IL Sung.

OSS Chief William "Wild Bill" Donovan was one of a dozen of the American government agencies and American intelligence organizations which had interests in China. There were also between the separate U.S. intelligence operations and competition between General Joseph Stilwell and 14th Air Force Commander General Claire Chennault. In January 1943, the American Navy established the Sino-American Special Technical Cooperative Organization (SACO-Sino-American Cooperative Organization to use U.S. equipment and training with Chinese troops. Agreement April 15, 1943.) with Dai Li's "jun tong". Per Service, "G-2 tried to do some coordination..., they finally had to set up a special agency and send out a man from Washington to run it. It was called the Joint Intelligence Collection Agency, JICA. But he didn't have any great rank and he didn't have any power." By 1944, the OSS was in control of the SACO plus the Dixie Mission at the Yen-an headquarters of the Chinese communists. Utilizing the three columns of the "Korean restoration army" established by the "interim Korean government" which was under Chiang Kai-shek's auspice, the Office of Strategic Services, which was hijacked by the Soviet agents, actively engaged in training the guerrilla forces in the Duqu base of Shenxi Province as well as the Huyang base. The true motive was to steer the Koreans to the communist side. Before the Americans could send the remnant Korean guerrilla (i.e., those who were not steered to the communists in North China) to Korea and Manchuria, Japan had already surrendered.

## The CCP Relationship With the U.S.

Communist records claimed that on Nov 7th, 1944, TV Soong suggested that Hurley go to Yen-an after the Russian consulate official hinted to Jiang Jinguo that Stalin might hold a meeting with Chiang Kai-shek in regards to the Russian acknowledgment of Chiang Kai-shek's regime in preference over the communists. What happened was that the Chinese Communists played the American card and did not want to talk about it today, after obtaining power in China.

Since July, when the Dixie Mission arrived in Yen-an, the communists, through Service and Barrett, released considerable propaganda for the Americans to make into reports. Back on September 11, 1944, communist army commander Chu Teh pretentiously sent over an invitation to Hurley, namely, "Invitation to inspect Chinese [communist] forces". Following the invitation, the communists got ambassador Clarence E. Gauss send a letter sent to Hurley, entitled "Invitation to go to Yen-an". On the 21st, Hurley, through David D. Barrett, relayed a message for Gen. Chu Teh "Accepting invitation to go to Yen-an". Using the Americans, the communists had Atkinson send a despatch to New York Times in regards to "Mao Tze-tung's proposals for settlement with Nationalists". In early November, Theodore H. White, another pro-communist American reporter, was accorded an interview from Mao Tse-tung.

As to Hurley's initiatives in starting "Conference with the Chinese Communists and the Kuomintang", the Chinese government, through Wang Shih-Chieh and Gen. Chang Chih Chung, put out "Nationalist proposals in negotiations with Communists" on October 21. On the 21st, communist elderly, Lin Tsu-han and Tung Pi-wu, sent to Hurley a message "Requesting an interview with Hurley". Two days later, the two followed up with another message for Hurley, entitled "Position of Communists on negotiations with Nationalists". Apparently from India, John Davies on the 26th sent a telegram to Hurley "Encouraging Hurley to visit Yen-an". Inside the Dixie Mission, Thomson on October 26, 1944, asked Barrett, who had probably returned to Chungking from Yen-an, to help keep the contents of a secret message of communist commander Chu Teh as a secret.

On Nov 7th, 1944, Hurley flew to Yen-an for establishing a joint KMT-CCP government that would be based on the communist relinquishing the administrative and military control in exchange for assumption of cabinet posts. Hurley flew to Yen-an for establishing a joint KMT-CCP government that would be based on the communist relinquishing administrative and military control in exchange for assumption of the cabinet posts. Zhou Enlai, seeing Hurley's arrival, immediately went back to fetch Mao Te-tung for a reception at the airport. On the 7th, Hurley reported back to Roosevelt as to "Conferring with Chinese communists and Sino-Russian relations." On [[?? has to be Nov]] Oct 8th, Hurley stated that Chiang Kai-shek was willing to acknowledge the communists and admit the communists to the high command military committee. Mao Tse-tung first rebutted Chiang Kai-shek's qualification for leading the communist troops, and then proposed to establish a joint military committee for equal-footing consultation. Zhou Enlai softened

the situation by claiming that "100" million people in "liberated area" would not agree with Chiang Kai-shek. Hurley produced a stack of documents, with a Five-Point Proposal as to the CCP-KMT collaboration. Mao Tse-tung countered Hurley by having Zhu De & Zhou Enlai draft with five modified points, stating that the communists were willing to have unification of military and politics on the precondition that Chiang Kai-shek's National Government be converted to a "coalition government". Mao Tse-tung stated that he would consider such a joint government on the precondition that the U.S. military aids be shared by the communists first.

On the 8th, Hurley congratulated Franklin D. Roosevelt on winning re-election, sent a wire to Albert C. Wedemeyer in regards to "Conference with Mao Tze-tung and attitude of John Davies and White toward Wedemeyer". Hurley took some minutes in regards to "Conference between Mao Tze-tung, Chu Teh, Chow En-lai, and Hurley, and Col. Barrett. Discussion of the Five-Points", and "Conference between Mao Tze-tung, Chu teh, Chow En-lai, and Hurley, and Col. Barrett. Discussion of Chinese problems". Hurley further made a note stating that "Interview to Mao Tze-tung by Theodore H. White damaging to Hurley mission". On November 9, Hurley messaged Albert C. Wedemeyer and T. V. Soong. that "Mao Tze-tung wants to meet with Chiang Kai-shek".

On November 10th, Hurley brought the signed stipulations, entitled "Agreement between National Government, Kuomintang and Chinese Communist Party", back to Chungking. In Hurley's custody was a letter from "Mao Tze-tung to Franklin D. Roosevelt. Agreement between Chinese Communists and Nationalist Chinese." Zhou Enlai advised Hurley to bypass TV Song in sending the document to Chiang Kai-shek. Upon return to Chungking, Hurley drafted a message for Mao Tse-tung, entitled "Thanking Mao for signing agreement of November 10, 1944". In an indirect reply to Mao, Franklin D. Roosevelt sent a message to Hurley on November 14, "Thanking Mao for congratulations on winning election".

Among Hurley's communist-revised Five Point Proposal was the communist demand to organize the present National Government into a coalition National Government embracing representatives of all anti-Japanese parties and non-partisan political bodies and reorganize the National Military Council into the United National Military Council consisting of representatives of all anti-Japanese armies [including the communist army]. Chiang Kai-shek, who was concerned with the independence of the communist army, then countered the communist-revised Five Point Proposal with a three point draft, which was to emphasize the unification of command under the military commission (i.e., the National Military Council) of the National Government in exchange for the communist participation in such committee. On November 17, T V Soong sent Hurley "Nationalist proposals for agreement with Communists". On this day, thinking Hurley had achieved a breakthrough, Roosevelt, who had granted China's request to retain Hurley as representative to China, telegraphed Hurley to propose naming Hurley ambassador to China, which Hurley replied to accept the same day. Hurley took oath on December 12.

On Nov 22nd, the new draft was presented to Zhou Enlai who hastily declined it by demanding the precondition of forming a coalition government. Zhou Enlai, Dong Biwu and David Barrett flew to Yen-an on Dec 7th. Mao and the communists had contrived the idea of a joint government (i.e., a coalition government) as a precondition with more than likely inputs from the "leftist" or communist U.S. State Department personnel. In addition to an expectation for a coalition government, the communist side had all along received private assurance from Stilwell and the State Department personnel that the U.S. military aids could be shared between the Nationalist Army and the communist army.

John Davies, who was anxious to exert influence on Hurley, bombarded the new ambassador with reports on the British colonialist design on China and the utility of the Chinese communists in the fight against the Japanese. On November 15, Davies wrote a report entitled "Necessity of establishing relations with Chinese Communists". On December 12, Davies wrote a report entitled "Urging that Americans exploit Chinese Communist position extending into center of Japan's inner zone". From December 15 to 17, Davies visited Yen-an. Ultimately, Davies irked Hurley so much that in late December Hurley ordered to get Davies recalled.

On December 8, Hurley, in communication with Chow En-lai, urged the communists to continue negotiations. Meanwhile, Barrett, in Yen-an, did an interview with Mao and Chow on December 10, entitled "Interview with Mao Tze-tung and Chou En-lai about Chinese Communist reception of three point proposed agreement from Nationalist Chinese". On the 11th, Hurley and Chow communicated back and forth over "Chou not returning to Chungking to resume negotiations with the Nationalist Chinese". On the same day, Hurley asked Mao not to publish terms of negotiation till Mao read his November 11 letter to Chow. The next day, Hurley wired to Roosevelt with the bad news that "Communists refusing Nationalist Government proposals and England offering lend-lease supplies to Communists". The British apparently did not want to see the KMT-CCP reconciliation.

Before Hurley was to return to the U.S., on December 16, Chow sent Hurley a letter stating that "Five-point proposal minimum basis for agreement with Nationalists". Mao at the same time delivered a letter to Hurley, stating that "Mao agrees with Franklin D. Roosevelt; refers to Chow's letters of December 16, 1944". Mao and Chow sent Hurley personal gifts, separately. (Meanwhile, the Chinese communists were scheming to play more American cards as they sent out invitation to the U.S. Treasury Department. On the 16th, the U.S. Secretary of Treasury replied to Chow En-lai in "Thanking Chow for invitation to send representatives to Yen-an".)

While Hurley's return trip was delayed, T V Soong on the 18th delivered to Hurley "Enclosed draft of telegram to Communists and clippings from the American press", which was a collection of the pro-communist U.S. media writings. On December 21, Hurley telegraphed Mao and Chow, "Requesting Chou to return to Chungking to resume

negotiations". Mao and Chow separately declined Hurley's request. In light of repeating requests from Hurley, Mao changed tactic a bit, and on December 27th, cunningly sent a message to Hurley stating "Chou En-lai busy; suggestion of conference in Yen-an". The next day, Chow wrote to Hurley with a demand that the "National government must make concession to Communists to resume negotiations". Hurley was to be held up in the United State and was sent on a mission to repair the damages of the Yalta agreements before Roosevelt's death. In the aftermath of the Japanese surrender, Hurley managed to get Mao to come to Chungking to sit down with Chiang, but failed in the mission to broker a peace deal for China as the unfavourable environment that the Republic of China was in the aftermath of the Yalta betrayal doomed China's fate. After Hurley resigned, President Truman, who counted on George Marshall as mentor, sealed the fate of the Republic of China by dispatching Marshall to China and imposing an arms embargo to force the Chinese government into making concession to the communists who were to receive unlimited military aid from the Soviets to wage a bloody civil war to overthrow the Republic of China.

## **The "Coalition Government" Crap**

According to Service, it was Gauss who first suggested, and then had "been encouraged and approved by the [U.S. State] Department, to suggest a War Cabinet, which was a form of coalition government".

The bottleneck of negotiations between the KMT and CCP centered on the concept of unified military command. On September 3, 1945, the KMT issued "An Open Letter to the Compatriots of the Country," and in a radio address to the nation that was delivered the same day, Chiang Kai-shek emphasized that the prerequisite for the national unity -- which was the foundation of democratic constitutionalism -- the central government's unified control of all the armed forces of the nation.

The Chinese communist party and "Chinese Democratic League" called upon Chiang Kai-shek in forming a so-called "joint government" [i.e., coalition government]. This was of course an idea derived by the communists after repeated talks with the pro-communist Americans on the Dixie Mission and the members of the American political adviser group, including among others the four American playboys. The gang's official title was political adviser to General Stilwell, the Commander-in-Chief of American forces in China, Burma and India.

On September 15, 1944, Lin Boqu, a delegate of the CPC at the Third Plenary Session of the Third National Political Assembly, first proposed the end of the KMT one-party rule [which was in fact the KMT-tutelage rule, not a one-party rule] through the convention of a national assembly and the organization of a coalition government formed of all the anti-Japanese parties. On October 10, the China Democratic League, i.e., the communist front

organization, echoed the communists with a call for ending the 'one-party' dictatorship and establishing a coalition government of various political parties.

The truth was that the Democratic League was a communist front organization and was run by the communists. As recalled by Service, "The Democratic League, for instance, was going to put out some sort of a manifesto... So, their man in Chungking was brought to me to ask me to check the translation, to see if I could improve the translation they were going to put out in English... the person who brought this Democratic League representative to me was my very close, good friend, Chen Chia-K'ang, who was Zhou En-lai's secretary. That was a matter of some political interest that they were working that closely with the Communists, that a man from Zhou En-lai's office would have brought him around to me for improving the translation." (Back on March 19th, 1941, with clandestine support from the communists, the so-called "Chinese Democratic League of Political Organizations" [i.e., Min-Ge] was established in Chungking the interim capital. Among the activists would be Deng Chumin, Huang Songling, Ma Zhemin, Zhang Nanxian, Li Shucheng & Xie Hegeng. See the KMT, the CCP versus the 'Democratic' Parties for details.)

In Chungking, Li Zongren refuted Hurley's claim that Stalin had personally told him that the CCP was no true communist but "land reformers". Li Zongren said that it was Stalin's diplomatically-worded protocol wording and assured Hurley that the CCP was 100% the Third Comintern communist members and believers of Marxism-Leninism. Hurley replied that he trusted in Stalin because Stalin was a "political leader".

In the winter of 1944, the Japanese army launched an attack at Dushan of Guizhou Province as a last ditch effort of its war on mainland China. Hu Zongnan's Liu Anqi division was airlifted to Guiyang of Guizhou Province for joining the campaign. After sacking Dushan, the Japanese went on to threaten Dujun. Claiming that the Nationalist might surrender should the Japanese invade, Zhou Enlai made arrangement for some leftists or undercover communists to prepare for entry into the mountains while having some leave for Yanan. Davies, echoing the communist sentiment, made a report on December 2, 1944, entitled "Possible new capitals for Nationalist Chinese government", and on December 18, wrote a report to spread the communist rumor about unfounded talks between the Chinese and the Japanese, entitled "Evidence for possible Sino-Japanese agreement". The Japanese, after failing to penetrate into Guizhou, then rerouted southward for launching the continental corridor to Southeast Asia. Per Donovan Webster, the Japanese might have attacked Dushan for the weapon depot that was blown up by agents of the American OSS. Wedemeyer, as a precaution, flew two divisions of the X-force to Kunming of Yunnan Province. As recollected by nationalist army generals, Tang Enbo's crack force raced on foot to the defense of Southwest China from the Henan battlefield. General Sun Yuanliang commanded troops to reach the scene at the fastest pace. Shi Jue's herald troops, commanded by Haan Shengtao, took order from Tang Enbo direct to establish the defense positions in southwest China.

## **The Dixie Mission & OSS's Scheme to Supply Aid to the Communists**

Marshall's plan to strike a deal with the Chinese communists in landing the American force on the Chinese coast was a cover to provide aid to the Chinese communists. Though, the Chinese communists, after catching the wind from the Potsdam Declaration, decided to sync up with Moscow in fending off the Americans and hence reneged on the deal with the Americans, namely, the Soviet-agents-hijacked OSS and Dixie Mission.

In late 1944, Hurley took over the ambassador's job from Gauss. Fallout between Hurley and the pro-communist gang ensued. Barrett and Bird had a secret mission to Yen-an on Dec 14th, 1944, during which time Donovan's Office of Strategic Services promised to equip 25,000 communist guerrilla fighters. (When Barrett returned from Yen-an days earlier, he had brought back a message from Mao Tse-tung who, resenting the U.S. [nominal] support for Chiang Kai-shek, relayed a communist threat of taking initiative for establishing a different Chinese regime should the 'coalition government' fail to take place.) In Yen-an [Yen-an], Mao Tse-tung and the communists, with full knowledge that the OSS had unlimited unvouched money, had thought that they might really obtain a big sum loan from the U.S. government for purchasing weapons and ammunition from the puppet troops. (The communists used opium as tender to buy weapons from the puppets. That is, the communist army never intended to fight the Japanese to wrestle weapons. On Jan 23rd, Zhu De requested for a loan of 20 million U.S. dollars.)

Hurley consequently cautioned the embassy officials and officers that nobody should ever discuss the matter of military aid or financial aid for any Chinese party or military faction.

Around Christmas-New Year timeframe, Hurley went through extraordinary length to get Stimson to relay a recall order to the State Department to get Davies kicked out of China. Wedemeyer revoked Barrett's chief post for the Dixie delegation in mid-Jan. Hurley, in a rage, kicked Davies out of China for producing the 'coalition government' idea as well as the idea to provide the military aid to the communists.

## **The Flare-up regarding Service's "Joint" Despatch on "The Situation in China"**

Service, after returning to the U.S. and working on presentations of the Chinese communist "military map", was purportedly given a possible assignment to go to Moscow. However, "just before New Year's" Eve, he received a phone call from John Carter Vincent who told him to get ready to go back to China as Davies, after a row with Hurley, was to be recalled. So, Service was back "in Chungking" on January 18, where Hurley warned him that "if I [Service] interfered with him, he would break me [Service]." Wedemeyer, who at

one time had no talk with Hurley for one day, liked Davies previously, and comforted Service in saying "not to pay too much attention to Hurley's blustering[s]". Service, after a reunion with wife back in the U.S., now broke up with Yun-Ju.

As recalled by Service who was "was sent back to China with the understanding of the State Department", "in this early period [i.e., late 1944 and early 1945, after the recall of Stilwell], Wedemeyer was still at least toying with the idea of working with the Communists and working out some compromise." Though, Wedemeyer told Service to be patient and work on the communist cooperation matter "later on".

At the time, an incident occurred that got Hurley enraged. Hurley was mad at Wedemeyer's chief of staff, General Robert B. McClure, over "an OSS mission that had gone up to Yen-an with some proposal for cooperation". The OSS, which was hijacked by the Soviet agents, wanted to bring the European teams to China, in the examples of "the Maquis and the Resistance in Europe", to work with the communists behind the enemy's lines.

On Jan 9th, 1945, the Chinese communists, having determined that Hurley was not on their side, contacted the Dixie Mission for relaying a letter to Franklin Delano Roosevelt direct, with a suggestion that Mao Tse-tung or Zhou Enlai could personally make a trip to the U.S.A. for such an in-person meeting with Roosevelt. Barbara Tuchman and others widely wrote about this episode. As recalled by Service, some small potato communist officer, "a junior officer they [i.e., the Dixie gang] don't know very well and don't have very much confidence in" privately told the Americans that Mao wanted an invi to visit the White House. Service, who was in Yen-an at the time, when the communists under Mao was starting to convene the 7th congress after routing the Moscow faction through years of brainwashing, physical persecutions, and murders under the banner of the Yen-an Rectification Movement, did not hear a thing. Later, Service visited China after the U.S. and PRC established diplomacy in the 1970s, but Zhou Enlai refused to confirm to Service that it ever happened. During the visit to China in 1971, Service was disappointed to know that his father's tomb in Chungking was leveled by the communists.

After Wedemeyer revoked Barrett's chief post for the Dixie delegation in mid-Jan, "the man that was sent to replace Barrett was a military attaché" who, in Service's opinions, "was willing to believe everything the Kuomintang said...And then after him Wedemeyer got a man who was a Russian expert [Yeaton]". The point, per Service, was to "get a whole new crop. In other words, the idea became very fashionable that everyone who had served in China had preconceived ideas, had prejudices, and what was needed was a whole new crew."

Sometime early in February, Ray Ludden, after a long distance trip to the communist-controlled guerrilla area with the Dixie Mission, came back to Chungking. Service, with Ludden, went to see Wedemeyer to talk up the communists. The two had "an outline", telling Wedemeyer "what great potential there was for cooperation with the

Communists." Wedemeyer, very interested, said that he and Hurley were to go back to Washington very soon and would "undoubtedly talk about these things". Using the pretext that Wedemeyer wanted them to "write out more fully" what were discussed, the two began to draft a memo on February 17. This turned out to be a memo to the State Department, termed "The Situation in China": A Joint Despatch from the Embassy's Political Officers, February 28, 1945. Service mentioned in the report that the Chinese communist had undertaken actions in accordance with last summer's threat, i.e., expanding their domain southward by encroaching on the Nationalist territories, including South China, with eruption of skirmishes against the Central Government troops. Service's other excuse was that George Atcheson, chargé d'affaires, had asked them to prepare such a memo after Hurley and Wedemeyer left. The gang phrased it in a way that it was a unanimous decision of all the Americans in Chungking, with a claim at the end that "This telegram has been drafted with the assistance and agreement of all the political officers of the staff of this embassy and has been shown to General Wedemeyer's Chief of Staff, General Gross." Service, who wrote the original draft, further claimed that it was the work of Ludden, Atcheson, Ringwalt, Freeman, Yuni, four or five officers in the political section, and that they discussed the contents of the memo around town, including American newspapermen whom they trusted in, i.e., the pro-communist American newspapermen. Note that Wedemeyer simply asked them to write up some details and never instructed them to file it with the State Department. This fallout was related to Service's instigating the embassy staff into a direct report to the Washington D.C. in the absence of Hurley who returned to Washington D.C. on Feb 19th, 1945 for the Yalta Agreement briefings.

The gang pretentiously pointed out to the State Department that "The presence of General Wedemeyer in Washington as well as General Hurley should be a favorable opportunity for discussion of this matter..." After receiving Service-drafted memo, the State Department attached it to a report for the Secretary of State to pass on to the U.S. President, basically stating that it was no longer a matter of choice between Chiang Kai-shek and the Chinese communists but to force Chiang Kai-shek into allowing the U.S. to arm whoever was willing to fight the Japanese, which was of course total American bullshit in today's hindsight. Inside of the State Department, John Carter Vincent, the China section chief, while emphasizing the American elasticity policy towards Chiang Kai-shek's regime, had suggested that i) militarily equipping the Chinese army for fighting the Japanese being the American short-term goal, any measures that would make China into a post-war strong power in Asia is unrealistic; ii) that the United States should also make it a short-term agenda to arm any Chinese fighting force whenever the American military landed on the Chinese coasts; iii) that the American long-term objective would be to help China to become a united, democratic and cooperating country, but not necessarily under Chiang Kai-shek; and iv) that an elastic relationship with Chiang Kai-shek is essential to the future U.S. cooperation with other Chinese political forces. John Carter Vincent, known as Fan-xuan-de in Chinese transliterated name, used the same 'Fan' name as John Fairbank used at one time in 1932 while the latter attended Smedley's meeting of the Chinese Civil Rights' League.

In March, Service, being told that Zhou En-lai was back in Yen-an, made a return trip to Yen-an on the pretext of finding out more about the communist party congress to be held. In Yen-an, communist New Fourth Army general Chen Yi, a flagrant civil war general against the government troops, disclosed a big secret to Service. Chen Yi, who treated Service as his teacher's son for his affiliation with the YMCA school in Chengdu twenty years earlier, gave a detailed account of the communist masterplan to infiltrate into Manchuria in preparation for the Japanese surrender or after the Japanese surrender. Per Service, the plans for moving into Manchuria included details as to "how they were already preparing, getting their cadres ready, getting poised and already moving in, infiltrating people into Manchuria for the attempt to seize it before the Kuomintang could get there." Chen Yi's talk was of course some communist internal strategy that was not set in cast yet - since Mao Tse-tung, who was bent on fighting the nationalist government, was still keen on launching the Soviet enclaves in southern China, i.e., re-establishing the bases of the 1930s, which was one reason that communist general Wang Zhen was sent south in the Japanese footsteps in 1944, during the apex of the Japanese Ichigo Campaign. Mao Tse-tung was not to change this southern strategy till after the Japanese surrender in August, 1945.

In Washington D.C., Hurley, having seen Service report on March 4th and learnt that Service was in Yen-an, cursed Service as a s.o.b. and promised to get rid of Service even though it meant his last action on the job. Hurley obtained support from Wedemeyer and Dulles. When the State Department refused to fire Service on the pretext that Service was attached to the army as political adviser, Hurley contacted Stimson to issue an army recall order down the army channel, bearing the word signed "Marshall". Other than the U.S. State Department officials, some emissary under finance minister Morgenthau, possibly Soviet agent White or another Jewish CPUSA member under White, repeatedly attacked Hurley as someone who caused the Chinese communists to distance themselves from the U.S. Hence, other than Wedemeyer's sending away Barrett, Hurley now kicked out Jack Service and Ray Ludden, namely, playboys, from the U.S. embassy in Chungking.

Service, who was not to witness the communist congress that was delayed again till late April, received "urgent, urgent, urgent orders" to "return to Chungking immediately and go to Washington soonest". At the Chungking's American military headquarters, Service dictated to the chief of staff's secretary a despatch termed "additional information on the Communists' plans for going into Manchuria". Apparently, some pro-communist or undercover CPUSA person in the chief of staff's office buried this piece of despatch, in the belief that it could divulge some Chinese communists' strategical plan to take over Manchuria. Service, in loyalty board and other hearings, repeatedly tried to prove his innocence by citation of this lost despatch he dictated to the chief of staff's secretary. Service left China in early April of 1945.

In Feb 1945, at the Yalta Meeting, Roosevelt, still resentful of Chiang Kai-shek's antagonism on the matter of Stilwell & the Chinese Expedition Forces, reached a secret

deal with Churchill in rewarding Stalin with the former ownership in the Chinese Eastern Railroad and the territories of the Sakhalin Island. Stalin, back in Dec 1944, requested with Hopkins that a meeting be held in Yalta within the USSR. On Feb 4th-11th, 1945, at the Yalta Conference, the 'USSR-USA-UK Agreement in Regards to Japan' was secretly signed at the expense of China. In addition to two ports in Manchuria, the Chinese-Eastern Railway, and the Southern Manchurian Railway, Stalin obtained the American acquiesce on the matter of making Outer Mongolia independent. After Stalin pressured Roosevelt into the agreement on the 10th, Stalin sent the document to Churchill the second day for endorsement. Wei Daoming [ambassador to the U.S.] and Fu Bingchang [ambassador to the USSR] failed to find out about the secret agreement. The secret document was not fully known to Chiang Kai-shek till after the so-called Sino-Russian friendship treaty, i.e., Feb 11th, 1946.

In April 1945, Hurley, as a champion of Chiang Kai-shek's Nationalist Chinese government, blamed the CCP for refusing to form a joint government and charged that officials in the U.S. Department of State had subverted the U.S. policy of support to Chiang's government. Franklin Roosevelt, after Yalta, badly needed Hurley for fending off accusations that he had signed some 'conspiracy' agreements with Stalin. On April 2nd, Hurley hosted a news conference and defended the U.S.'s China policy. Hurley, under Roosevelt's authorization, flew to Moscow and London consecutively for lobbying on behalf of China's interests as a makeup for the secret betrayal at Yalta. On April 3rd, Hurley went to London. Churchill flatly declined Hurley's request to yield HK back to China as an international open port - a concession that Hurley tried to extract so as to counter-demand with the Soviets to yield Port Arthur and Dairen as international ports as well. On April 12th, Roosevelt passed away. On April 15th, en route to Moscow, Hurley heard about Roosevelt's death. Unlike his bad experiences in London, Stalin assured Hurley that he would do everything possible to help China unite under the National Government.

## **The Amerasia Case**

While sitting in John Carter Vincent's office in the State Department, Service, through a telephone call, learnt that Roosevelt had just died. At the State Department, Drumright, who was no longer naive about the communists, told Service that "there was a civil war in China, the Communists are in rebellion, we can't have any dealings with them." Two months later, in June, '45, he was arrested in a FBI stint related to leakage of top secret documents to the Soviet-agent-operated Amerasia magazine. On June 6th, the FBI arrested six people over leakage of information by the Amerasia magazine, with three U.S. government officials in Washington including Jack Service, Andrew Roth, and Emmanuel S. Larsen, while another three people accused in the Amerasia case were in New York. Amerasia was a journal on the Far Eastern affairs, edited by Phillip J. Jaffe and Kate L. Mitchell. Service was earlier in New York at the invitation of Soviet agent T.A. Bisson

from the Foreign Policy Council, a person whom Service was very familiar with while in China. The liaison with the Soviet agents in New York led the FBI to his doorstep; however, Service was adamant throughout his life that it was Dai Li, i.e., Chinese special service boss, who tipped Miles who in turn tipped Hurley who in turn tipped Edgar Hoover, that led to his implication in the espionage case. (As Service himself clarified, Hurley, who had confused Davis and Service in the investigations of 1954, could have taken in reports from the Chinese side concerning "[Service] giving copies of my [Service] reports to the Communists and conspiring with Teddy White and so on". Though, FBI could not have started a case on basis of some third party reports from China.) While under detention, Larsen, possibly not knowing Service was not a true CPUSA, tried to talk to him in Chinese to figure out the extent of damages from the arrests. Service thought that Larsen "wanted to find out what I [Service] knew, who else had been arrested." It was just incredible that Service was not fully taken in by the Soviets as an official CPUSA member after he had done so much for the Soviet cause. Later, Service felt exploited by Philip Jaffe, Andrew Roth (a Soviet spy working in the Navy, the Office of Naval Intelligence (ONI) liaison officer with the Department of State), and Mark Gayn (free lance writer for Saturday Evening Post, Collier's, and a Soviet spy who was first sent to Shanghai in 1927, worked with the Japanese news agency throughout the 1930s and could be implicated in Kennedy's assassination as Soviet agent 'Cramer'). The Soviet spies, with high caliber figures running the show at the top echelon of the United States government, managed to get the case against Amerasia thrown out.

## **The Yalta Betrayal, the Chinese Civil War & the China White Paper**

The second day after Roosevelt's death, Chiang Kai-shek received a telegraph from Wellington Koo (Gu Weijun) who stated that American Navy General William Leahy had tested his response in regards to China's possible reaction to the Russian grabbing Dalian and Luushun [Port Arthur] ports. Chiang Kai-shek promptly dispatched Song Ziwen to the U.S. on the pretext of condoling on Roosevelt's death. President Truman avoided in-depth discussion with Song, while Hopkins, namely, a high-level Soviet agent and Roosevelt's eunuch who decided who was allowed to see Roosevelt, claimed that he knew nothing about the details of the Yalta Agreement to which he was a party. On May 22nd, in Chungking, Hurley privately disclosed the main items of the Yalta Agreement to Chiang Kai-shek and requested that Chiang Kai-shek refrain from raising the issues to both the U.S.A. and USSR. (Hurley was visiting Chungking for the time period of May 15-24, 1945.) Chiang Kai-shek instructed that Song Ziwen contact Truman immediately. Song and Truman had three meetings in regards to Port Arthur and Outer Mongolia. On June 9th, 1945, Truman officially told Song Ziwen that he was to honor the late President's signature on the Yalta Agreement and requested that China dispatch a delegation to Moscow for stamping a Sino-Russian friendship agreement no later than July 1st. Truman rudely declined Song Ziwen's further protest, and claimed that Hurley would officially pass on the Yalta Agreement to Chiang Kai-shek which Hurley did on June 15th.

Negotiation between China and the USSR started on July 1st, but was adjourned due to Stalin's participation in the Potsdam Meeting inside Germany on July 14th-Aug 9th. The U.S., the USSR and Britain issued the Potsdam Declaration, calling for Japan to surrender, on July 17th, 1945.

According to Service, the State Department was in ignorance of the Yalta Agreement (February 11, 1945) for four months. Purportedly, Vincent did not get to know the secret deals till Secretary of State James F. Byrnes, 1944-47, came down to his cabin to inform him of the Yalta agreements while en route to the Potsdam Conference in July. Service purportedly disclosed the Yalta agreements to Dong Bibu, the Communist member of the Chinese mission at the UN conference, in Washington in August, which "was a surprise to them". The Chinese communists, who had caught wind of the Soviet scheme for Manchuria, had already reneged on the purported deal to assist the American marines in landing on the Chinese coastline.

After the Japanese surrender, Service and Acheson were assigned the role of political advisers working under McArthur's command in Tokyo.

Hurley, in a last ditch effort, tried to broker a deal between the Chinese nationalists and the Chinese communists. Under the pressure of Stalin, Mao Tse-tung accepted the call for the peace talk in Chungking. On Aug 28th, Mao Tse-tung, Zhou Enlai and Wang Ruofei et al., under U.S. Ambassador Hurley and Zhang Zhizhong's escort and protection and by riding on the American military plane, flew over to Chongqing for 43-day peace talks with Chiang Kai-shek. Hurley, seeing that the Communists deliberately refused to concede, at one time threatened to go back to America. Hurley tried to persuade the CCP into giving up the military control in exchange for assumption of ministry and provincial posts within the KMT government. Without reaching agreements on the "united military command" and the "united administrative orders", Chiang Kai-shek and Mao Tse-tung reached a Double Ten Agreement requiring that the KMT discontinue "xun zheng" (i.e., the KMT supervised administration) and convene a political consultative meeting for "xian zheng" (i.e., the constitutional government). Back in the U.S., Hurley, who was already fed up with the State Department reinstating the pro-communist staff he fired from the American embassy in Chungking, resigned his posts on Nov 27th under attacks by the pro-commie U.S. statesmen.

Service and Acheson, in Tokyo, learnt of Hurley's resignation and from the news reports found out that Hurley had called Service and Acheson by "the principal culprits" who were accused of "working with the Communists, opposing American policy and telling the Communists that he [Hurley] didn't represent American policy. Also working with the imperialists and so on and so on."

Service claimed that the whole State Department was in low profile throughout the Chinese civil wars while being accused by the critics of such charges as "We're letting China go down the drain." Should the State Department being in low profile, it was

because George Marshall had already successfully imposed the arms embargo against the Republic China in 1946. Throughout the remaining years of the Chinese civil wars, the Americans in the State Department were merely waiting for the moment that the Chinese nationalists were to be choked to death under the attack of the Chinese communists who received the August Storm Lend-Lease weapons from Stalin, not to mention the supplies of the Japanese Kwantung Army. Wellington Koo, throughout his tenure, tried in vain to talk with Vincent Carter and the State Department to lift the embargo. After the passage of the China Aid Act by the Republicans in the congress, the State Department did its best to obstruct the implementation of the act. Per Service, the [State] Department, which "had been under tremendous pressure", decided to fight back after Truman was re-elected in late 1948, and by the summer of '49, "the administration had had enough of criticism. They were going to counterattack and defend themselves, prove that they had done everything they could to support Chiang, that it was not our fault that the Communists were winning. It was Chiang's own failings." At this time, "John Davies was then serving in the Department on the first policy planning staff with George Kennan, when it really meant something, under Acheson." Davies hence called over Service to draft an "annex" to be attached to the 1000-page White Paper, "summarizing the views of some of us in the [China-original word] field who had predicted what was going to happen". That will be annex 47 of the White Paper, which was a compiling of "reports of officers in the field" and "accepted without change". (United States Relations with China, with Special Reference to the Period 1944-1949. Department of State Publication 3573, pp. 564-576, August 1949). Per Service, "It's got Dean Acheson's name on it, but the first draft was done by a man named John Melby..." Service claimed to have given credit to Chiang Kai-shek for the comment on the 1927-1937 time period of the history of the Republic of China. The gang, seeing that Chiang Kai-shek was moving into Taiwan, schemed to have the National Security Council draft a policy guideline stating that America "had no strategic interest in holding Taiwan", and that the U.S. "would give economic, but no military aid, to Chiang Kai-shek." Per Service, "the State Department refused to reveal who had drafted this memorandum. It had been approved, of course, by high people".

## Ah Xiang

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