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# The Short Life of the Official 'Two China' Policy: Improvisation and Postponement in 1950

Keiji Nakatsuji

## PREFACE

For two decades after the Sino-American Confrontation in Korea, the relations between the United States and the People's Republic of China (PRC) remained hostile. Until President Richard M. Nixon visited Beijing to confer with Chairman Mao Tse-tung, the Cold War between China and the United States largely determined the state of East Asian international relations. Leaders of Asian neutral nations, as well as many liberal intellectuals in the United States, deplored the continuing tension in Asia because they felt it hindered a smooth nation-building process in newly-born Asian countries and the restoration of the traditional friendship between the American and Chinese peoples. A formula for achieving Sino-American detente had been enthusiastically sought by these leaders. From the mid-nineteen-fifties through the sixties, they supported the so-called 'two China' proposal, which was intended to promote first, the entrance of both the Chinese Communist and the Chinese Nationalist governments into the United Nations, and then diplomatic recognition of both. This 'two China' policy was considered desirable for several reasons: (1) it would enhance the possibility for Sino-American detente; (2) if Taiwan were placed under U.N. trusteeship, the autonomy of the native Taiwanese, who tended to dislike the rule of Mainland Chinese, could be established in due course; (3) the continuous existence of the non-Communist

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government of Taiwan would satisfy U.S. security needs in the West Pacific.

Despite continuous lobbying by liberal groups and neutral Asian nations, the 'two China' policy was never adopted by the United States government. Facing the strong anti-Communist feelings of a substantial portion of the American public, the presidents of the era dared not risk friendly overtures to the PRC. Truman and Eisenhower instead took America's China policy in the opposite direction. After the Chinese entry into the Korean War, the United States moved its allies to impose harsh trade sanctions against the PRC. By the mid-fifties, the U.S. government entered into military alliances with major Asian countries surrounding the PRC, and also became the guardian of its rival government on Taiwan. The persistent opposition of the United States to China's membership in the United Nations lasted for more than two decades, and not until the Carter administration did the United States diplomatically recognize the government of the world's most populous country.

Recently declassified government documents, however, testify that this is not the entire story of the 'two China' proposal. In fact, immediately after the outbreak of the Korean War in 1950, the Truman administration seriously explored the possibility of a 'two China' policy. This means that a governmental initiative preceded later pleas from the private sector for the 'two China' policy. But the Truman administration soon gave up the attempt. This paper will explain why the life of the official 'two China' policy was so short.

## I

A brief historical introduction to U.S. China policy before 1950 is necessary in order to understand the background under which the Truman administration considered the adoption of the 'two China' policy. During and after World War II, the United States sought the establishment of a coalition government including both the Chinese Nationalist and the Chinese Communist parties, because this was considered the only way to build a stable government in China. After several unsuccessful attempts at mediation, the Truman administration learned that the mutual distrust between the two parties was far too destructive and that a civil war was unavoidable. When the Communist victory on the Mainland was assured in 1949, a divergence of opinion over China policy gradually came to the surface within the Truman administration. The Defense Department clearly preferred a strong anti-Communist policy and the application of a Cold War strategy in the West Pacific. The Secretary of State, Dean Acheson, who still dominated actual policy-making in the administration, sought more flexible options. Even within the State Department, opinion varied

greatly. The divergence of opinion appeared to reflect not only the difficulty of understanding the Chinese situation but also the State Department's loss of confidence in its China policy. So, for example, Dorothy Borg and Waldo Heinrichs entitled a collection of articles concerning this period, *Uncertain Years*.<sup>1</sup>

At the State Department, distinctions between one group and another were vague, and often one individual supported two contradictory ideas. Generally speaking, however, there were roughly three lines of thinking. The liberal group, including O. Edmond Clubb, Philip Jessup, and John Cabot, seriously considered the merits of recognizing the PRC.<sup>2</sup> They reasoned that such a step might encourage a split between the Soviet Union and Communist China. Along with this power political consideration, the merits of trade relations with the PRC and a return to a tradition of good relations between the U.S. and China were additional factors which inclined the liberal faction toward official recognition. In her book, *Patterns in the Dust*, Nancy Bernkoff Tucker exhaustively investigated the recognition controversy.<sup>3</sup> According to her, not only the liberal China specialists at the State Department, but also many American businessmen and missionaries supported the idea. They considered Chiang Kai-shek and his corrupt party to be an already passing phenomenon, and they also tended to underestimate the Chinese Communist party as nationalist agrarian reformers. As a logical extension of their views, these people believed that the United States should not be involved in Chiang's defense of Taiwan.

A more cautious group at the State Department argued for a hands-off policy. They felt that the U.S. would be unable to manage the turmoil caused by the rise of nationalism; foreign intervention would simply accelerate the xenophobic tendency of the Chinese revolution. They believed that careful observation of the events in China would be the wisest policy, at least until "the dust settled."

Conservative officials in the State Department argued that a positive policy toward Taiwan was necessary. In May, 1950, the Assistant Secretary of State for Far Eastern Affairs, Dean Rusk, advocated the introduction of a United Nations trusteeship arrangement. He recommended that a new Taiwanese government, without the participation of Chiang Kai-shek, be established by the initiative of the United Nations, and that its sovereignty be limited to the island.<sup>4</sup> On 6 June, the State Department consultant John Foster Dulles wrote his first memorandum on the forthcoming Japanese Peace Treaty. His memorandum indicated that both Communist and Nationalist China should be invited to the Peace Conference.<sup>5</sup> Secretary Acheson did not respond favorably to this 'two China' policy. He leaned, rather, toward the recognition of Communist China. But the sudden outbreak of the Korean War changed the power

relations in the State Department drastically. The recognition of the PRC no longer appeared possible. At this critical juncture, the Truman administration could not risk benign neglect of the Asian situation, because anti-Communist hawks in America would severely criticize it for a "do-nothing" policy. President Truman's statement on 27 June 1950, three days after the outbreak of the Korean War, indicated that Truman's stance came very close to the Rusk-Dulles line:

The attack upon Korea makes it plain beyond all doubts that Communism has passed beyond the use of subversion to conquer independent nations and will now use armed invasion and war. It has defied the orders of the Security Council of the United Nations issued to preserve international peace and security. In these circumstances the occupation of Formosa by Communist forces would be a direct threat to the security of the Pacific and to United States forces performing their lawful and necessary functions in that area.

Accordingly, I have ordered the Seventh Fleet to prevent any attack on Formosa. As a corollary of this action I am calling upon the Chinese government on Formosa to cease all air and sea operations against the Mainland. The Seventh Fleet will see that this is done. The determination of the future status of Formosa must await the restoration of security in the Pacific, a peace settlement with Japan, or consideration by the United Nations.<sup>6</sup>

President Truman's statement implies that two important considerations motivated his actions. The first was strategic. The dispatch of the 7th Fleet was to localize the war that had just broken out in Korea. This order aimed at preventing either of the Chinese factions from attacking the other. Truman referred to this as the 'military neutralization' of the Taiwan straits. Secondly, the President called for a temporary 'political freeze' on the island. This meant that the U.S. would remain neutral toward rival parties on Taiwan. He then proposed that the future disposition of Taiwan should be determined by a peace treaty with Japan or by the United Nations. A proposal for an international solution was necessary to prove that the American government itself would not seek any territorial gains. Since the U.S. Navy acted so abruptly and forcibly, the President thought that some kind of international sanction should be attained for the action. The allies' backup in the West Pacific was considered especially necessary at that critical junction.

Truman's strategic decision to dispatch the 7th Fleet, however, worked against the 'political freeze.' The interposition of the Seventh Fleet assuaged Chiang's fear of Communist invasion without U.S. aid, and virtually secured his position as President of the Republic of China. During this period there was a widespread suspicion about Chiang's ability to rule Taiwan. A personal initiative by Congressman Walter Judd to induce the resignation of Chiang turned into an abortive enterprise.<sup>7</sup> Another unsuccessful scheme of this sort was to use MacArthur's prestige to encourage the retirement of the Generalissimo.<sup>8</sup>

The proposal of a U.N. solution also had some political impact. Since the end of World War II, the Mainland Chinese in Taiwan had maintained precarious relations with native Formosans. Although they were politically controlled by the Mainlanders, the Taiwanese were numerically dominant on the island.<sup>9</sup> The possibility of a plebiscite under UN sponsorship encouraged their aspiration for autonomy. Formosans began looking increasingly to the US and the UN rather than to the Nationalist Chinese government.<sup>10</sup>

## II

The Presidential announcement of June 27th was little more than an improvisation. Both strategic and diplomatic considerations, however, required that it be developed into policy. Strategically speaking, military neutralization was not realized simply by placing the 7th Fleet in the straits. The State Department had to request that the Nationalist government terminate any direct belligerent activities against the Mainland coast.<sup>11</sup> The agreement of the Nationalist government was secured shortly thereafter. On 29 June Taiwanese Ambassador V.K. Wellington Koo reported that some twenty unidentified planes had flown over Nationalist military installations and caused a scramble flight of Taiwanese Air Forces. Later it was discovered that they were all U.S. planes. Ambassador Koo emphasized the urgency of establishing a liaison group between the US 7th Fleet and the Nationalist government.<sup>12</sup> On 7 July, the Nationalist government, in view of the Communist military concentration along the China coast, requested that reconnaissance flights be permitted.<sup>13</sup> All these problems made it inevitable for the Truman Administration to deal with the Nationalists as the legitimate government of Taiwan. In the strict sense of the word, these actions defied the 'political freeze.'

A major strategic move to harm the political objectives of the State Department was conducted by the US Defense Department. The military authorities knew that the 7th Fleet was ill equipped to protect Formosa from Communist assault since it had to be dispatched to Korean waters at

times. Secretary of Defense Louis A. Johnson suggested that the Chinese Nationalist government be authorized to purchase military materiel.<sup>14</sup> The State Department agreed to the suggestion, despite the fact that it would undoubtedly solidify the position of Chiang Kai-shek on the island. Unilateral action on the part of General Douglas MacArthur, however, provided the biggest challenge to the 'political freeze'. On July 31, the General suddenly visited Taipei and conferred with Chiang Kaishek on the military arrangements between the Nationalist forces and the US forces in the Pacific. Since MacArthur's views with respect to the strategic importance of the island and his pro-Nationalist attitude were well known, his action was widely interpreted in Taipei as a step by the U.S. toward abandoning the policy of neutralizing Formosa.<sup>15</sup> Truman was naturally indignant about the General's independent behavior. From then on, personal and political conflict between the two leaders intensified, leading eventually to the dismissal of General MacArthur.

### III

Another facet of the June 27th announcement, that of international cooperation on Taiwan, had yet to be worked out. American Ambassador to Britain Lewis W. Douglas broke the ice. In mid-July, he pleaded repeatedly for an immediate common understanding with the British. His telegrams indicated that, while the British foreign office completely understood the U.S. position vis-à-vis Korea, they were far less happy about the position on Formosa. Douglas cited two reasons for the importance of British understanding of the American position: (1) the British government was capable of exerting its influence on the Commonwealth and Asian countries, which the US wished to count on in the UN session; (2) in the event that the Soviets, the Chinese Communists, or both attacked the US military position in Formosa, the support of the British would be indispensable.<sup>16</sup> Indeed the situation in the entire West Pacific was alarming. The response of Secretary of State Dean Acheson to Douglas' plea was immediate. The ambassador was ordered to confer with the British Foreign Minister Ernest Bevin.<sup>17</sup> On August 1, Acheson also instructed the United States delegation to the United Nations to work for the inclusion of the Formosan issue on the agenda of UN General Assembly.<sup>18</sup> On September 20, the issue was included on the agenda of the Fifth session.<sup>19</sup>

Two issues were to be discussed with the British. The first was military in nature. The American position had changed substantially since the periods before and after the Korean War. Since 1948, the defensive strategy in the West Pacific was called a 'Defensive Perimeter' concept.

American's essential defense frontier went along the West Pacific, extending from the Aleutians through Japan to the Philippine archipelago, thus excluding the Korean peninsula and Taiwan.<sup>20</sup> The outbreak of the Korean War, however, led to the interposition of the 7th Fleet in the Taiwan Straits. It was a sudden deviation from the scheduled course. The interposition of the fleet was no more than an emergency action: it was not intended to be permanent. By the time of National Security Council Policy Paper 37/10 on August 3, however, the denial of Formosa to the Communist forces were clearly regarded as one of the major objectives of US Taiwan policy.<sup>21</sup> Even Acheson, one of the major advocates of the initial 'defense perimeter' concept, insisted that Formosa's location would, in the hand of a power hostile to the US, constitute a salient danger to Japan, Okinawa, and the Philippines.<sup>22</sup> The Korean War was a strong influence for the permanent political and military involvement of the United States in Taiwan. Since the 17th Fleet was not adequately prepared to protect Formosa, one possible way to maintain its security was to guarantee military aid to the Nationalist Chinese forces. NSC 37/10 recommended this option after assessing the Nationalist military capabilities. The U.S., however, was not sure that it could secure Britain's agreement to these substantial military commitments.

The second issue to be discussed with the British was the future status of Taiwan. The Truman administration, reasoning that Taiwan was taken for Japan by the victory of allied forces in the Pacific, thought the Taiwan problem should be solved by international action.<sup>23</sup> Truman also emphasized that the disposition of the island be determined through peaceful means, despite the fact that the US government had forcibly intervened in the Chinese Civil War by interposing the 7th Fleet and was determined to take military measures to prevent the communization of Taiwan. The State Department argued that a plebiscite sponsored by certain international organizations was appropriate to determine the permanent status of Formosa. It presumed the plebiscite could offer the following five alternatives: (1) a union with Communist China; (2) restoration of a union with Japan; (3) retention of the present Nationalist government; (4) immediate independence of the Taiwanese; or (5) UN trusteeship for a stipulated period and subsequent independence.<sup>24</sup>

Some officials in the State Department preferred the latter two options, as they hoped that the international sponsorship along with the self determination of the Taiwanese might make Formosa an Asian Switzerland.<sup>25</sup> The idea was to treat Taiwan as an entity entirely separate from Mainland China. This concept closely resembled the 'two China' policy or the 'one Formosa' policy, which would become popular among liberal politicians, scholars, and journalists in the late 1950s and 1960s. Of course, the records of the intra-governmental discussions cited in this paper remained

classified until the early 1980s. One may assume however that Truman's statements of 27 June and 19 July along with US activities at the United Nations influenced the later liberal views on Taiwan policy. In fact, on August 29, an opinion poll inquired of forty-three Senators and all Representatives whether they favored turning the Formosa question over to the United Nations. Of the Congressmen, 53% answered positively, 12% responded negatively, 35% had not decided their positions yet.<sup>26</sup> The policy discussed above can be called the official version of the 'two China' policy despite the fact that it was not expected to lay the ground for a detente with China. How long would this policy last?

#### IV

Negotiations with the British began on 10 August. On the issue of immediate military necessity, the British government showed considerable understanding. The Korean War was undoubtedly critical in its consideration of the Asian situation. Britain acquiesced to the interposition of the Seventh Fleet and U.S. military aid to the Chinese Nationalists, because measures were necessary to contain the war to the Korean peninsula. The British feared the expansion of the war to the Hong Kong area. Thus they agreed to the American proposals for solving Taiwan's status. The two countries consented to a peaceful settlement through a multilateral discussion at the United Nations.<sup>27</sup>

However, when it came to the desirable future disposition of Taiwan itself, the British and Americans did not see eye-to-eye. At Cairo in 1943, the Allied Nations had declared that Chinese territories captured by Japan should be returned to the Republic of China after the war. This constituted the only legal document concerned with the future disposition of Taiwan. There was no doubt that according to the spirit of that declaration Formosa was a part of China. The British considered the Declaration of Cairo to be the founder of UN discussions. They proposed that a U.N. study of the Taiwan question be started after the acceptance of Chinese sovereignty over the island.<sup>28</sup> The United States could not accept this position. The gap between the two nations was literally too wide to bridge. Since the United Kingdom was more preoccupied with European affairs, it wanted to avoid being deeply involved in Asian crises. Naturally, it tended to minimize the strategic importance of Formosa. The rise of the People's Republic of China was considered more a sign of Chinese Nationalist aspirations than the ascent of Marxism-Leninism. Since the direction of the Chinese Civil War had already been determined, the British considered it unwise to resist the flow of events for the sake of the little island of Taiwan. After all, the British government had recognized the PRC in January, 1950.

The reasoning of the United States was altogether different. The Truman Administration regarded Taiwan as strategically so important that the Communists should not be allowed to occupy it. Policy makers knew that this objective would require America's direct military intervention. The agreement at Cairo, however, appeared to preclude any possibility of United States intervention. According to the agreement, any intervention by a foreign power in Taiwan would be judged as an unlawful interference in the domestic affairs of China. State Department officials claimed that the situation had drastically shifted from the Cairo-Potsdam years, and that the assumptions of the time were no longer valid.<sup>19</sup> John Foster Dulles, suggested that the wishes of the Taiwanese be fully reflected in the United Nations' undertakings.<sup>30</sup> The suggestion was obviously aimed at emphasizing the Taiwanese desire to be independent of the Mainlanders' rule. The argument provided a convenient means for the United States to intervene for the "protection" of the Taiwanese from a Communist military attack. As a logical extension, the UN-sponsored plebiscite was regarded as the ideal means of fulfilling Taiwanese aspirations for autonomy as well as US strategic objectives.

Here the British again differed. Though they agreed to the general principle of a multilateral peaceful solution, the specific measures of the UN plebiscite met with British criticism. The British as well as the French asserted that the plan was virtually impracticable. Risking the forcible resistance of the Nationalist government, the result could be disastrous.<sup>31</sup> The British position regarding military neutralization, the Cairo agreement, and a UN plebiscite illustrates what the British had in mind on the ultimate disposition of Formosa. They thought that once the United Nations accepted the legitimacy of the Chinese claim on Taiwan as a part of China, securing international approval for military neutralization would not cause any serious trouble. As long as danger continued to exist in the area, neutralization could be maintained. To them, the behavior of the Communists would be a controlling factor in the timing of the turnover of Taiwan to Communist China.<sup>32</sup>

This breach in the American and British opinions did not completely preclude their cooperation in the West Pacific. British Foreign Minister Bevin asked to delay the discussion in the United Nations.<sup>33</sup> The public exposure of disagreement between the two countries was deemed disadvantageous. The Truman administration did not give in to Bevin's request. The two governments came up with the compromise idea of a United Nations' commission. The commission was designed to investigate the Taiwan problem and submit its recommended solution to the General Assembly. It was expected to be useful in postponing the need for a final decision, during which time the Korean situation would become clearer.<sup>34</sup> The US and Britain thought that they could arrive at an agreement in time

without having to disclose their differences. After several revisions, the two governments completed the co-sponsored draft resolution for the UN session. The recommendation to establish an investigative commission was the central proposal of the draft.

## V

Along with Britain's stance, the reaction of the Nationalist Chinese government was also a significant factor in determining the course of events. Though there was no reason for Chiang Kai-shek to oppose the military neutralization of the Taiwan Straits, he was from the beginning antagonistic toward the UN's plan to determine the status of Taiwan.<sup>35</sup> Not only would the plan threaten the legitimacy of Nationalist rule in the future; it would also endanger the present political order on the island. The American Charge d'Affairs in Taipei, Karl Rankin, reported to the Assistant Secretary of State for Far Eastern Affairs, Dean Rusk, that American distrust of Chiang Kai-shek, which existed underneath the U.N. plan, was inducing some friction among the Nationalist leaders, as well as Taipei's suspicion about America's intentions. Internal disorder in Taiwan provided a convenient excuse for employing police state methods.<sup>36</sup> Generalissimo Chiang used every possible means to stop the UN's undertaking. On 31 August Nationalist Ambassador Koo explained the position of his government to Dean Rusk. He repeatedly suggested that the discussions in the United Nations Security Council be limited to the military aspect of the Taiwan question and not touch upon its political aspect. The Ambassador cited two reasons for his stance. First, while the interposition of the Seventh Fleet should and could be supported by the United Nations, the discussions about the future of Taiwan would expose the division of opinion among the "democratic front." Dr. Koo complained that he could not understand the British attitude. According to the Ambassador, the Nationalist forces on Formosa acted as a deterrent against a Communist attack on Hong Kong, because Communist China knew that if they invaded Hong Kong, the army in Formosa would attack the Mainland, thereby forcing them to risk a two-front war. The British did not, Koo believed, understand this aspect. Second, Koo argued, the Nationalist government feared that the U.N. discussions might lead to a proposal which literally exacted a promise of suicide from the National government. Koo argued that it would be too much to expect the approval of the Nationalists.<sup>37</sup>

Subsequently Chiang chose diplomatic manipulation. In late August, after much stubborn resistance, the Nationalist Ambassador to the United Nations, Tingfu F. Tsiang, appeared to have conceded to the United

States. He intimated that he would abstain from voting on the establishment of the commission if it was composed of six non-permanent members of the Security Council. Later, Rankin reported from Taipei on a similar proposal by the Nationalist government. According to his telegram, Foreign Minister Yeh told the Ambassador that the Nationalist government would not object to a U.N. commission represented by such countries as Belgium, Austria, Brazil, the Philippines and Pakistan. The Foreign Minister added, however, that Taipei would strongly object to the inclusion of any countries who had recognized the Beijing government.<sup>38</sup> In fact these proposals were not a concession at all, because the Soviets would undoubtedly veto a commission from which it was excluded.<sup>39</sup> The aim was indirectly to block the establishment of the commission. The United States, of course, did not respond favorably, and in the final event the plan was not realized.

In September Chiang began exploring relations between the State and Defense Departments of the Truman Administration. Foreign Minister Yeh Kung-ch'ao (sometimes known as George Yeh) called on the American Embassy in Taipei on 2 September 1950. He stated that in the event of the withdrawal of the 7th US Fleet, the Chinese Communists would attack Taiwan. He then inquired whether such an attack would constitute a disturbance of the peace according to the scope of the President's June 27th statement.<sup>40</sup> Clearly the Foreign Minister sought a confirmation of the United States' commitment to defend Taiwan. Since the Nationalist government knew that the US military leaders were pro-Chiang and favored the defense of Taiwan, his inquiry was a good strategy to learn the extent of the Pentagon's power in relation to the more ambivalent State Department. On 4 September Foreign Minister Yeh inquired about a news report that the U.S. was asking India to agree to a trusteeship of Formosa in exchange for America's support of India's sponsorship of the Beijing government's membership in the UN.<sup>41</sup> The Nationalist Chinese government feared that the State Department might have begun a cloakroom deal among the major powers and was ready to sell out the Nationalist government. This was another clever tactic to discover what the Truman Administration, especially the State Department, had in mind.

The Secretary of State, Dean Acheson, answered the second question immediately. He said that the rumors of US-India negotiations were unfounded. According to the Secretary, the negotiation of the problem would, in any case, be multilateral and would proceed through regular channels.<sup>42</sup> Acheson was tactful in his reply, not even touching upon the US-UK dealings. It took somewhat longer to answer the first question. On 12 October, a memorandum was sent to the Nationalist Foreign Minister, stating that the United States government was in no position to make a

formal unilateral commitment to defend Taiwan. It was explained that the United Nations would be the best channel for a peaceful and just solution of the question.<sup>43</sup>

On 27 October, John Foster Dulles made the following remark to Nationalist Ambassador Tsiang:

The Chinese Nationalist government must see the disadvantage of the United States adopting the position that Formosa is a part of China which will mean that neither the United States nor the United Nations can do anything in what will be a purely civil war. For the United States to take that position will be widely looked upon as virtually an invitation to the Chinese Communists with Russian help to conquer Formosa.<sup>44</sup>

The logic behind this argument clearly demonstrated America's position. If Taiwan were a part of China, the conflict between the Communist and Nationalist Chinese governments would become a civil war. This would embarrass probable US involvement. Therefore, Taiwan should not become a part of China, but an independent nation.

The Chinese Nationalist government's argument was completely inverted. It claimed that Taiwan throughout history had been a part of China, and at some point should be united with the Mainland under Nationalist leadership. However, before reconquering the Mainland, the island of Formosa should be safeguarded from the Communists' attacks. Therefore it was necessary that the United States commit itself to defend the island now.

Before Chiang's diplomatic manipulation and his exploration of the relations between the Defense and the State Department were entirely exhausted, he began another maneuver. This took the form of a military bluff. Han Li-wen, a so-called unofficial representative of the Generalissimo, approached the American Consul in Hong Kong, Harry Leroy Smith. Han contended: "UN trusteeship is unworkable since as long as the Nationalist government has an army on the island they will never permit it."<sup>45</sup> Chiang Kai-shek had chosen a locale other than Taipei or Washington and an informal representative for this meeting most likely because he wanted to avoid any diplomatic discourtesies. However, the real message was that the Nationalists were ready and willing to prevent a UN intervention with armed force.

Meanwhile, reports continued to come from the American Embassy in Taipei that political oppression was rife on the island. The secret police of

the Nationalist government arrested a substantial number of people, charging them as Communists. Many of them were Formosans who had supported the UN's plan. Some Taiwanese politicians, fearing arrest, began avoiding contact with US authorities in Taipei. The former Charge d'Affairs Robert C. Strong called the situation a reign of terror.<sup>46</sup> The Nationalist government demonstrated its power and will to continue its rule of the island.

Despite strong opposition from Taipei, the Truman Administration did not entirely abandon its efforts to make Chiang accept the UN plan. In late November, John Foster Dulles was sent to meet Chiang in Taipei.<sup>47</sup> Most likely the State Department consultant's task was to explain the validity of the UN plan. The fact that Chiang's opposition continued implies that this effort was in vain.

## VI

Even within the Truman administration, in fact, there were conflicts which needed to be resolved. In the memorandum dated 8 September the Joint Chiefs of Staff conveyed their doubts about the merits of the UN commission idea, because the commission had to consider the annexation of Formosa by the Chinese Communist government as one possible solution.<sup>48</sup> The Joint Chiefs of Staff feared that the UN plan might allow the Soviets to strengthen their military position in the West Pacific. The memorandum urged that either the commission not be granted the authority to make recommendations on the disposition of Taiwan, or that the United States be firmly represented in the commission's activities.<sup>49</sup> Rusk, however, still believed the U.N. discussion of the Taiwan question necessary, reasoning that the interposition of the Seventh Fleet should be supported by members of the United Nations. International sanction of the U.S. action would prevent the outbreak of war in the region, he argued, and therefore keep the United States from fighting alone against the Communists. Nevertheless, by this time, the State Department's attitude toward the U.N. discussion had apparently begun to change. Rusk told Koo that the United States would not seek a hasty decision by the General Assembly, and a U.N. commission would be expected to submit its report not before one year later.<sup>50</sup> Having faced such opposition from Britain and the Nationalist government, and the reluctance on the part of the Defense Department on the UN plan, the State Department's position now became shaky, but practical strategic considerations alone forced the Department officials to maintain their position. On 15 November, Secretary of Defense George C. Marshall formally requested the State Department to defer the United Nations' discussion until the Joint Chiefs of Staff had the opportunity to comment on the plan.<sup>51</sup>

On the same day that Marshall sent this letter, members of the US delegation at the United Nations reached a unanimous decision to recommend to the Secretary of State postponement of a settlement of the Taiwan issue by the UN.<sup>52</sup> John Foster Dulles gave three reasons for this proposal. The first was again strategic. By this time it was well known that the Chinese Communists had entered the Korean War. The ongoing UN session on Taiwan, Dulles said, would certainly guarantee to the Communists that the Nationalist Army would not attack the Mainland coast. Thus it would allow them to concentrate their army in the Korean front. Second, he reiterated the importance of relations with the UK and other friendly nations. Dulles predicted that a UN debate would surely bring their differences out into public. Obviously it would have adverse effects on the unity of the United Nations Forces in Korea. Lastly, Dulles considered domestic politics important. He warned that the UN solution plan would be interpreted as an attempt to put the issue out of the US government's independent control.

In late November, the US delegation at the United Nations asked to place the issue at the end of the agenda. Shortly thereafter the period of postponement was extended until the next session of the General Assembly. Finally, in early 1951, the US government asked for an indefinite postponement. The postponement, rather than overt abandonment of the plan, was a better face-saving tactic.

By the end of the 1951, the Truman Administration had become frank enough to admit the failure of the UN solution plan. The State Department Position Paper dated 21 November flatly confessed the impracticability of the official 'two China' policy. Other reasons were added to those raised by Dulles a year before. The position paper said that UN trusteeship could not offer the solid military mechanism needed to safeguard the security of Taiwan after a final disposition had been decided upon; the international sanction of military neutralization, though it would offer the solid military mechanism needed to safeguard the security of Taiwan after a final disposition had been decided upon; the international sanction of military neutralization, though it would offer an adequate legal base, might tie the hands of the US naval forces at critical moments. In addition to these strategic reasons, the Truman Administration conceded that the Chinese Nationalist Army could be a detrimental factor in the implementation of a UN sponsored plebiscite.<sup>53</sup> Thus the position paper was virtually the death certificate of the UN solution plan.

## CONCLUSION

This discussion of the official 'two China' policy reveals a few important historical facts. The Truman Administration had learned the

impracticability of the 'two China' policy at least several years before liberals and leaders of neutral Asian nations claimed the desirability of the proposal. In fact, even before going through a severe test within the virulent anti-Communist domestic atmosphere, the 'two China' policy had to face a deadlock arising out of diplomatic and strategic considerations. It is interesting that a major advocate of the official 'two China' policy was John Foster Dulles. He had witnessed the death of the policy before he took a strong posture against Communist China as Eisenhower's Secretary of State.

Next, the existence of the official 'two China' policy makes it clear that the outbreak of the Korean War alone did not force a direct shift of U.S. China policy from somewhat pro-Communist China to pro-Taiwan. Although the official 'two China' policy was basically a reflection of U.S. strategic needs and American disillusionment with Chiang's capabilities, the policy did not entirely close the door to the establishment of formal relations with the PRC. Thus the policy still maintained a degree of flexibility in America's attitude toward China. Between the proposed recognition of Communist China and the strong anti-Communist China policy of later years, the 'two China' policy was a middle-of-the-road option. The tragic facts were that this option was, even if desirable, not practicable, and the Sino-American confrontation in Korea made this policy appear much too naive.

#### NOTES

<sup>1</sup> Dorothy Borg and Waldo Heinrichs eds., *Uncertain Years: Chinese-American Relations, 1947-1950* (New York, 1980)

<sup>2</sup> During this period, Clubb was the Consul General in Peking (Beijing). Jessup was the Ambassador-at-Large and Cabot was the Consul General in Shanghai.

<sup>3</sup> Nancy Bernkoff Tucker, *Patterns in the Dust: Chinese-American Relations and the Recognition Controversy, 1949-50* (New York, 1983)

<sup>4</sup> Tucker, p. 200.

<sup>5</sup> Chihiro Hosaya, *San Francisco Kowa e no Michi* (The road to the San Francisco Peace Treaty) (Tokyo, 1984) p. 110.

<sup>6</sup> Letter from Livingston T. Merchant, FE to Assistant Secretary of State Dean Rusk, Dec. 22, 1950, Department of State decimal files 794A.00/12-2250, Record Group 59, National Archives, Washington D.C.

<sup>7</sup> Memorandum from Edmund Clubb, office of Chinese Affairs, to Fulton Freeman and Wallace W. Stuart of the same office, July 7, 1950, DS794A.00/7-750, RG 59, NA.

<sup>8</sup> Letter from Rankin to Strong, July 11, 1950, Rankin Papers, Box 14, file related to Chiang Kai-Shek, Mudd Library, Princeton University.

<sup>9</sup> In a population of eight million, there were over 6.5 million Formosans. The rest were Mainland Chinese.

<sup>10</sup> Telegram from charge d'Affairs in Taipei, Robert Strong to the Secretary of State, Dean Acheson, July 1, 1950, DS794A.5/6-2950, RG 59, NA.

<sup>11</sup> Telegram from Charge d'Affairs in Taipei Strong to the Secretary of State, June 28, 1950, DS794A.5/6-2950, RG 59, NA.

<sup>12</sup> Memorandum of Conversation by Fulton Freeman, June 29, 1950, DS794A.00/6-2950, RG 59, NA.

<sup>13</sup> *Foreign Relations of the United States (FRUS) 1950, vol. VI; East Asian and the Pacific* (Washington D.C., 1983), p. 383.

<sup>14</sup> *Ibid.*

<sup>15</sup> Political Report on Formosa, 1 November 1950, Rankin Papers, Box 14, file related to Chiang Chig-kuo, Mudd Library, Princeton University.

<sup>16</sup> Telegram by Ambassador Lewis W. Douglas to Secretary of State Dean Acheson, July 24, 1950, DS794A.00/7-2450, RG 59, NA; and also, Memorandum by W.L. Hamilton of the State Dept., 26 July 1950, DS611.94A/7-2650, RG 59, NA.

<sup>17</sup> *FRUS 1950, VI*, p. 396.

<sup>18</sup> Telegram from Acheson to USUN, Aug. 1, 1950, DS794A.00/8-150, RG 59, NA.

<sup>19</sup> *FRUS 1950, VI*, p. 515.

<sup>20</sup> Regarding the policy discussion of the 'defensive perimeter' concept, see John Lewis Gaddis, "The Strategic Perspective: The Rise and Fall of the 'Defensive Perimeter' Concept, 1947-1951," in *Uncertain Years*. Although Gaddis contended that the concept died in 1951, Dulles and the State Dept. often utilized the idea in explaining American policy during the Eisenhower Administration.

<sup>21</sup> National Security Council Policy Paper 37/10, August 3, 1950, NSC Policy Paper Files, Record Group 273, National Archives.

<sup>22</sup> *FRUS 1950, VI*, p. 396.

<sup>23</sup> A Letter from Truman to Austin, August 27, 1950, Papers of President Truman, Official File, Box 635, file of Formosa/150-G, Harry S. Truman Library.

<sup>24</sup> Memorandum from R.A. Fearey, FE/State Dept. to John Allison NA/State Dept., Aug. 1, 1950, DS794A.00/8-150, RG 59, NA.

<sup>25</sup> Memorandum of Conversation by L.T. Merchant, FE/State Dept., Aug. 28, 1950, DS611.94A/8-2850, RG 59, NA.

<sup>26</sup> Results of Capital Gist Poll, August 29, 1950, Truman Papers, Official File, file of Formosa/150-G, Truman Library.

<sup>27</sup> Memorandum of Conversation by L.T. Merchant, FE/State Dept., Aug. 30, 1950, DS611.94A.00/8-3050, RG59, NA.

<sup>28</sup> Memorandum of Conversation by L.T. Merchant, FE/State Dept., Aug. 28 1950, DS611.94A/8-2850, RG 59, NA. See also, the document prepared for the Foreign Ministers of France, United Kingdom, and United States, Sept. 1, 1950, DS794A.00/9-150, RG 59, NA.

<sup>29</sup> *FRUS 1950, VI*, p. 535.

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

<sup>31</sup> Memorandum of Conversation by L.T. Merchant, FE/State Dept., Aug. 28, 1950, DS611.94A/8-2850, RG 59, NA.

<sup>32</sup> Memorandum of Conversation by L.T. Merchant, FE/State Dept., Aug. 29, 1950, DS611.94/8-2950, RG 59, NA. British Ambassador Oliver Franks introduced a similar idea to the State Dept. Officials.

<sup>33</sup> Telegram from the Ambassador to the United Nations, Warren R. Austin, Aug. 29, 1950, DS794A.00/8-2950, RG 59, NA.

<sup>34</sup> Memorandum by H. Freeman Matthews, Aug. 30, 1950, DS794A.00/8-3050, RG 59, NA.

<sup>35</sup> Telegram from the Ambassador to the United Nations, Warren R. Austin, Aug. 29, 1950, DS794A.00/8-2950, RG 59, NA.

<sup>36</sup> A Letter from Rankin, September 4, 1950, Karl Lott Rankin Papers, Box 15, file related to the State Dept., Mudd Library, Princeton University.

<sup>37</sup> Notes of a Conversation with Rusk, August 31, 1950, Koo Collections, Box 180,

Manuscript Library, Columbia University.

<sup>38</sup> A Telegram from Rankin, September 12, 1950. Rankin Papers, Box 15, file related to the State Dept., Mudd Library, Princeton University.

<sup>39</sup> Telegram from the Ambassador to the United Nations, Warren R. Austin, Aug. 30, 1950, DS794A.00/8-3050, RG 59, NA.

<sup>40</sup> Telegram from Charge d'Affairs in Taipei, Karl L. Rankin to the Secretary of State Dean Acheson, Sept. 2, 1950, DS794.00/9-250, RG 59, NA.

<sup>41</sup> *FRUS 1950*, VI, pp. 483-84.

<sup>42</sup> *FRUS 1950*, VI, pp. 484-85.

<sup>43</sup> Memorandum for the Chinese Minister of Foreign Affairs, Oct. 12, 1950, DS7944A.00/10-1250, RG 59, NA.

<sup>44</sup> *FRUS 1950*, VI, pp. 543-44.

<sup>45</sup> Telegram from Hong Kong Consul Harry L. Smith to the Secretary of State, Sept. 6, 1950, DS794A.021/9-650, RG 59 NA.

<sup>46</sup> *FRUS 1950*, VI, pp. 848-7. Also see, the telegram from the Embassy in Taipei, Aug. 26, 1950, DS794A.00(w)/8-2650, RG 59, NA.

<sup>47</sup> Telegram from the Embassy in Taipei, Nov. 25, 1950, DS794A.00(w)/11-2550, RG 59, NA.

<sup>48</sup> *FRUS 1950*, VI, p. 491.

<sup>49</sup> Memorandum from Dean Rusk to Dean Acheson, Nov. 29, 1950, *Ibid.*

<sup>50</sup> Notes of a Conversation with Rusk, September 16, 1950. Koo Collections, Box 180, Manuscript Library, Columbia University.

<sup>51</sup> Memorandum from Dean Rusk to Dean Acheson, Nov. 29, 1950, DS794A.00/11-1550, RG 59, NA.

<sup>52</sup> *FRUS 1950*, VI, pp. 572-73.

<sup>53</sup> *FRUS 1951 vol. VII: Korea and China*, part II (Washington D.C., 1983), pp. 1853-63.