

A CHINESE PUZZLE: PATRICK J. HURLEY AND THE  
FOREIGN SERVICE OFFICER CONTROVERSY

by

Barbara Gooden Mulch  
B.A., McPherson College, 1957  
M.A., University of Kansas, 1959

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## PREFACE

The Foreign Service Officer controversy began in China during World War II and unfolded in the post-war decade. It is the story of men whose lives became intertwined and helped to weave what has become known as the China tangle. These men were Patrick J. Hurley, special Presidential emissary and later Ambassador, and the Foreign Service Officers stationed in China at that time, especially John Paton Davies, Jr. and John Stewart Service.

Almost immediately after Hurley's arrival in China, contention developed between him and these two officers, who were assigned to Commanding General Joseph W. Stilwell. In the months following his appointment as Ambassador, the conflict intensified into an open struggle which resulted in the departure from China of both Davies and Service. This did not end the controversy, however; several incidents aroused Hurley's suspicions that these men continued to have an unhealthy influence upon his assignment.

Although the primary target of the Ambassador's distrust was Davies and Service, his relationship with most of the professional soldiers and diplomats had also become strained. As the months of 1945 passed, punctuated by growing evidence of hostility between the Chinese Communists and

the Nationalist government, Hurley's feeling that his work was being sabotaged increased. Ultimately, he resigned in November, 1945, proclaiming his suspicions to the world.

His accusations of disloyalty and pro-Communist sympathy in the State Department gained considerable public attention, encouraged by anti-administration and pro-Chiang Kai-shek forces, and a Congressional hearing to investigate the former Ambassador's charges resulted. The inquiry heard Hurley reiterate his suspicions with great pomposity and self-righteousness, but the Senate committee and most of the public were unconvinced.

The former Ambassador was determined, though, to gain public vindication, and Davies and Service, who believed that they had been exonerated, found that Hurley's accusations remained very much alive. As the political climate of the nation became more responsive to the Communist-influence thesis during the post-war decade, a series of Congressional investigations were held. These hearings provided the former Ambassador with an opportunity to repeat his old charges, which increasingly focussed on Davies and Service. Finally, these two officers fell--victims of a red scare which saw basic American rights disregarded.

Within a short time, Davies and Service disappeared from public attention and were ignored if not forgotten. Their story, nevertheless, remains of vital importance. Although the facts will never be completely known, a better understanding of why these two professional diplomats were

discharged from the Foreign Service provides a new perspective into America's World War II China policy and the debate concerning it which became one of the significant themes of the post-war period.



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## CHAPTER I

### ASSIGNMENT IN CHINA, 1944-1945

The first members of the cast to arrive in China were the Foreign Service Officers, "Old China Hands" John Stewart Service and John Paton Davies, Jr., who had had long years of experience in China. Both men were well-trained and spoke fluent Chinese.

Service was born in China of American missionary parents in 1909. He spent most of his young life there with the brief exceptions of furloughs taken by his parents in the United States. He returned to America for his college education. After the granting of his B.A. degree from Oberlin College in 1931 and a year of graduate study at the same institution, Service passed the Foreign Service Officer examination. After learning that there was no likelihood of early appointment, he returned to China where he applied for a clerkship with the Foreign Service. He held this position until 1935 when he was commissioned as a career officer in the Service.

Following duty as a language officer in Peiping from 1935 to 1937, Service was transferred to the American Consulate General in Shanghai where his superior was Clarence

E. Gauss, the Consul-General. Service volunteered early in 1941 for assignment to the Embassy at Chungking. Shortly thereafter, Gauss became Ambassador, and Service served under him as Third Secretary until his attachment to General Stilwell's staff. During this time, the young diplomat was a general intelligence officer engaged in gathering political information.

The life of Davies was quite similar. Also born in China of American missionary parents, in 1908, he spent most of his youth there. Davies received his B.S. degree from Columbia University in 1931 after studying at the University of Wisconsin from 1927 to 1929 and Yenching University in Peiping, China, from 1929 to 1930. His diplomatic career began in December, 1931, when he was appointed a Foreign Service Officer. After service in Canada, Davies was transferred to China in early 1933. He served there in various posts until 1940 when he returned to the United States on home leave. Next came a tour of duty in Washington and reassignment to China as adviser to Stilwell.

Although both men followed the usual course of professional diplomats--gradual promotion through the ranks--their careers were marked by frequent commendations for the quality of their work. The two officers were also highly regarded by their peers.

Considering the background, experience, and ability of these men, it is not surprising that they became a

valuable source of information as America's attention was drawn to events in China after the eruption of World War II. When General Joseph W. Stilwell, another "Old China Hand," began his mission to China in 1942, he almost immediately asked for the assistance of these officers. He first requested that the Department of War assign Davies to his staff. Stilwell's request stemmed from the considerable acquaintance and previous experience which he had had with Davies.<sup>1</sup> The proposal was accepted, and Davies was placed under Stilwell's command.

Davies' duties on this assignment were not clearly defined, being left to Stilwell, and "Vinegar Joe," as the General was called, gave him few specific orders. At first, Davies' responsibilities largely entailed political reporting and the maintenance of contacts with the press. Gradually, his work expanded. In addition to political reporting, it began to include production of indoctrination pamphlets on China for American troops, maintenance of contact and political guidance with Stilwell's commanders and the propaganda organization, and cooperation with the Office of War Information and Office of Strategic Services. With this expansion of his duties, Davies needed assistance, and he discussed the matter with Stilwell. The General agreed that

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<sup>1</sup>Barbara W. Tuchman, Stilwell and the American Experience in China, 1911-45 (New York, 1970), 248.

more men were needed, and the two men discussed various officers who might be added to the staff.<sup>2</sup> Stilwell specifically asked for John Stewart Service, whom he knew quite well. Three other Foreign Service Officers, Raymond P. Ludden and Kenneth C. Krentz, both China specialists, and John K. Emmerson, an expert on Japan, were recommended by Davies and accepted by Stilwell.<sup>3</sup> It was decided that Ludden was to serve in Yunnan, Emmerson in Chungking, Krentz at New Delhi, and Service, who was uniquely valuable because of his excellent command of the Chinese language and wide acquaintance with Chinese officials, was to spend most of his time in Chungking as well as to make special investigatory trips into the interior.<sup>4</sup>

Stilwell then asked approval of these additions from the Department of War. The Department responded. In a letter to Secretary of State Cordell Hull on June 29, 1943, Henry L. Stimson, Secretary of War, asked that these Foreign Service Officers be sent to the Embassy in Chungking for assignment to Stilwell and specified that their duty was to

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<sup>2</sup>U. S. Senate, Committee on Foreign Relations, State Department Loyalty Investigation, Hearings Before a Subcommittee on Foreign Relations, United States Senate, 81st Cong., 2nd sess., (Washington, D.C., 1950), II, 2093; hereafter cited as State Department.

<sup>3</sup>Ibid. See also Tuchman, 458.

<sup>4</sup>Herbert Feis, The China Tangle: The American Effort in China from Pearl Harbor to the Marshall Mission (Princeton, New Jersey, 1953), 257.

collect Chinese and Japanese information of interest to the United States Commander.<sup>5</sup>

The Department of State acceded to this request. A telegram of August 10, 1943, from Hull to Ambassador Clarence E. Gauss in Chungking ordered that these men be detailed to the Army. The telegram stated that they were to be attached to Stilwell's staff and were to be "subject to instructions from General Stilwell and authorized to travel to any country or place where he may designate."<sup>6</sup> With the exception of Krentz, the officers were quickly sent to join Davies, who was tacitly accepted by Stilwell and the others as head of the group. The functions of the group, as now constituted, remained loosely defined.<sup>7</sup>

At first, Service acted primarily as a political intelligence officer, and one of his assigned subjects was information concerning the Chinese Communists. He also assisted on liaison with the Embassy, other American agencies, and Chinese individuals and organizations, including the Chinese Communist official office in Chungking.<sup>8</sup> Another of

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<sup>5</sup>State Department, II, 1994.

<sup>6</sup>Ibid., 1996.

<sup>7</sup>Feis, 257.

<sup>8</sup>Service Statement, Loyalty-Security Board Hearings, State Department, II, 1967-8. These hearings were held during May and June of 1950 and will hereafter be cited as "Service Hearings."

Service's responsibilities was that of political public relations officer or a press agent for the press. In July, 1944, he also became a member of the observer mission which was sent to Yen-an, the Communist capital in North China. The mission, which had been suggested by Davies and welcomed by the State Department and the President, had initially been forbidden by the Nationalist government. Service assisted in obtaining Chiang Kai-shek's approval for it,<sup>9</sup> and after consultation with and the approval of the Embassy and the State Department, he joined the first group to go to Yen-an.<sup>10</sup> The mission was dedicated to learning more about the Communists, such as their political and military strength, and evaluating such information. The data which could be obtained in Yen-an was invaluable, and Davies became a frequent visitor there.

As could have been expected, the Foreign Service officers on assignment to Stilwell became the center of diplomatic-military reporting about China. As such, all of them, especially Service and Davies, wrote numerous memoranda describing conditions and presenting their opinions, which were widely read. Copies were sent to both the military headquarters and the Embassy in China as well as to Davies' headquarters in New Delhi. Forwarded to the United States,

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<sup>9</sup>Feis, 157-162.

<sup>10</sup>Service Statement, "Service Hearings," State Department, II, 1970.

the State Department and War Department circulated the reports, and distributed selected ones, in full or summary, to other missions and government agencies. Some were presented to President Franklin D. Roosevelt.<sup>11</sup>

The opinions expressed by these men were similar to those held by the other American personnel in China, most of whom were professional diplomats and soldiers. Stilwell and Ambassador Gauss, both "Old China Hands," were in agreement with what the underlying principle of American policy in China should be. Major political and military reforms were essential for the survival of that nation, and the best method of accomplishing such thorough-going renovation was to pressure Chiang Kai-shek into action. This policy, supported by most Americans familiar with Chinese affairs, was obviously not popular with Chiang and the Nationalist government.<sup>12</sup>

By 1944, relations between America's major representatives in China, especially Stilwell, and the Generalissimo, had become very strained, and was having an unfortunate effect on the war with Japan. Because of this, Roosevelt, who basically disagreed with the tactics of pressure, decided to rely upon one of his traditional methods of diplomacy--the use of

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<sup>11</sup>Feis, 258.

<sup>12</sup>Tang Tsou, America's Failure in China, 1941-50 (Chicago, 1963), 90-2. See also Theodore H. White and Annalee Jacoby, Thunder Out of China (New York, 1946), 215-8.

personal emissaries.<sup>13</sup> With this decision, Patrick J. Hurley came on the China scene, heretofore dominated by the professionals.

Hurley was a gregarious, vociferous, "self-made" man. Born in the red dirt hills of Oklahoma in 1883, he had fought his way out of poverty, and he was intensely proud of the wealth and success he had accumulated. One biographer of Hurley has observed:

An anti-intellectual, he mistrusted thinkers wherever he found them, whether it be in the army, the government, the diplomatic service, or as leaders of foreign countries. Hurley had nothing in common with them. Yet, he found much in common with the self-made men like himself who frequently held high positions around the world. He was at home with Chiang Kai-shek, Joseph Stalin, and even Franklin Roosevelt, for these men emphasized action more than thought. Hurley respected and found communion with these proud, straightforward men who valued position as much as he did.<sup>14</sup>

Hurley had had considerable experience in politics, corporation law, and diplomacy, when, immediately after Pearl Harbor, he offered his services to the War Department. By his efforts to run supplies through the Japanese blockade of the Philippines and his later work as United States Minister to New Zealand in the spring of 1942, he won the confidence of President Roosevelt, who thereafter entrusted the Oklahoman with a series of diplomatic missions--to the Soviet Union in

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<sup>13</sup>Henry L. Stimson and McGeorge Bundy, On Active Service in Peace and War (New York, 1947), 535-6. See also Elliott Roosevelt, As He Saw It (New York, 1946), 193.

<sup>14</sup>Robert Thomas Smith, "Alone in China: Patrick J. Hurley's Attempt to Unify China, 1944-1945," Ph.D. Dissertation, University of Oklahoma, 1966, 1.



November and December of 1942 and then to the Middle East.

Hurley's trip to the Middle East was a preview of his later controversy with the Foreign Service Officers in China. Professional diplomatic personnel in the Middle East resented the intrusion of an amateur diplomat, and Hurley, in turn, resented their condescension. The charges which he made against these men were also similar to those which would be heard later. The officers were either pro-imperialist or pro-Communist in their sentiments. Despite protests from the State Department and even some Congressmen, Roosevelt, who also disliked the "striped pants boys" in the State Department, supported Hurley and, adding insult to injury, selected him in the fall of 1943 for another special mission--this time to the Middle East and the China-Burma-India theater.<sup>15</sup>

During his brief stopover in China in November, 1943, Hurley discussed with Chiang Kai-shek arrangements and problems concerning the forthcoming Cairo-Teheran conferences as well as American strategy in that theater of war. It was at this time that the Oklahoman first became aware of some of the problems and tensions in China.<sup>16</sup> The trip also confirmed Hurley's suspicions regarding career officers in the State Department. The failure of the Department to forward the

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<sup>14</sup>Ibid., 23-5.

<sup>15</sup>Charles F. Romanus and Riley Sunderland, I, 1-4, Hurley Papers; this is a rough draft of an autobiography of Hurley by the two authors. Hereafter cited as "Autobiography."

message to him regarding his appointment as Ambassador and promotion to rank of Major-General especially angered him, as did comments by State Department officials critical of his reports and proposals.<sup>16</sup>

Despite Hurley's obvious inability to work with the professional diplomats and despite their lack of confidence in him, perhaps because of these facts, he continued to possess Roosevelt's confidence. Few were surprised that when the situation in China became increasingly perilous, Roosevelt again turned to personal diplomacy, and Washington insiders were not surprised when they learned Patrick J. Hurley had been selected for the extremely complex task of representing United States interests in China--a task for which he had almost no background or experience. He had been in China only twice. His first visit had been a short stay on an inspection tour of Asia as Secretary of War in the summer of 1931<sup>17</sup> and his second had been the brief stop in 1943.

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<sup>16</sup>Hurley Statement to Life magazine, January 11, 1946, 36-41, Hurley Papers. Hereafter cited as "Life Statement." See also Don Lohbeck, Patrick J. Hurley (Chicago, 1956), 198-9.

<sup>17</sup>Hurley to Ward, July 11, 1952, Hurley Papers; this is a 42 page letter to Orlando Ward, who was in charge of writing the history of the United States Army during World War II, in response to Ward sending two chapters of the history of the China-Burma-India theater. Hereafter cited as "Ward Letter."

Possession of the President's trust, though, overrode any possible disqualifications.<sup>18</sup>

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<sup>18</sup>Roosevelt, 193, 204.

## CHAPTER II

### SPECIAL MISSION TO CHINA--FIRST PHASE, THE STILWELL-CHIANG CONTROVERSY

By summer, 1944, both the Chinese military situation and the relationship between Chiang Kai-shek and General Stilwell had deteriorated badly.<sup>1</sup> Stilwell's efforts to increase the combat efficiency of the Chinese Army and to further the war against Japan had not been successful. The major obstacle to his labors was Chiang Kai-shek and the reactionary elements in the Kuomintang.<sup>2</sup> Chiang had permitted corruption and inefficiency to riddle his political and military leadership; he maintained his best troops as a blockade against the Chinese Communists rather than using them against the Japanese invaders; and he refused to allow Stilwell to take command of all military forces in China.<sup>3</sup>

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<sup>1</sup>For a general summary of the crisis in China in 1944 see Charles F. Romanus and Riley Sunderland, Stilwell's Command Problems (United States Army in World War II) (Washington, D.C., 1956), 399-442.

<sup>2</sup>Gauss to Secretary of State, June 15, 1944, U. S. Department of State, Foreign Relations of the United States: 1944 (Washington, D.C., 1967), VI, 100-2; hereafter cited as Foreign Relations: 1944. See also White and Jacoby, 214-6 and Stimson and Bundy, 536-7.

<sup>3</sup>Stimson and Bundy, 536-7, 539.

Stilwell, in his frustration, became increasingly antagonistic and bitter toward Chiang, or the "Peanut" as the General called him, and the Nationalist government which presented a picture of corruption, neglect, and chaos--in marked contrast to the honesty and efficiency of the Communists in North China. Stilwell also believed the Communists had demonstrated both willingness and ability to fight the Japanese. Neither of these characteristics was seemingly possessed by the Kuomintang troops. General Stilwell gradually came to the conclusion, as did most military personnel and Embassy officials in China, that victory and the creation of a united, progressive China depended upon Chiang being forced to grant reforms and to carry out the recommendations of the United States.<sup>4</sup> Naturally, the first step was acceptance of Stilwell's appointment to command of China's armed forces.

Roosevelt did not want to apply pressure on Chiang Kai-shek.<sup>5</sup> As a fellow head of state, he sympathized with the Generalissimo's problems. He also feared that Chiang might reject an ultimatum, withdraw from the war, and possibly

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<sup>4</sup>Gauss to Secretary of State, June 15, 1944, Foreign Relations: 1944, VI, 100-2. See also White and Jacoby, 214-8; Stimson and Bundy 536-7, 539; Romanus and Sunderland, Stilwell's Command Problems, 415; Tsou, 89-93; and Joseph W. Stilwell, The Stilwell Papers (New York, 1948), edited by Theodore H. White, 315-22.

<sup>5</sup>Stimson and Bundy, 536-7, 539.

even negotiate a separate peace with Japan. As the crisis worsened, however, Roosevelt recognized something had to be done. He reluctantly sent sharp-worded requests to the Generalissimo, but they had no effect.<sup>6</sup> Roosevelt still balked at an ultimatum to Chiang; thus, the critical situation demanded that an alternate course be found. The Generalissimo had earlier asked for a special United States representative, qualified to speak for the President on political and military matters. On July 14, 1944, Roosevelt decided upon this more appealing course of action. He instructed General George C. Marshall, Army Chief of Staff, and Stimson to find a suitable candidate.<sup>7</sup>

Hurley emerged as the top choice, and Marshall and Stimson talked to him on August 3 about going to China. The Oklahoman was excited about the proposal and immediately indicated his willingness to accept such an appointment.<sup>8</sup>

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<sup>6</sup>Roosevelt to Generalissimo, July 6, 1944, Hurley Papers.

<sup>7</sup>Romanus and Sunderland, Stilwell's Command Problems, 415. See also "Autobiography," II, 4, Hurley Papers.

<sup>8</sup>Afterwards, Hurley called Under Secretary of State Edward T. Stettinius asking if there was any chance of him being made Ambassador. When Stettinius told him that it was unlikely, Hurley asked him to discuss the matter with the Secretary of State. See Stettinius to Secretary of State, August 3, 1944, Foreign Relations: 1944, VI, 247. See also Tuchman, 479.

Marshall then sent a message to Stilwell inquiring what he thought of Hurley being sent as a special representative.<sup>9</sup> As an "Old China Hand," Stilwell may have had mental reservations concerning Hurley's lack of preparation for the difficult task that would face him, but he was pleased to have him come in his anxiety to solve the command problem.<sup>10</sup>

By August 9, the President and Marshall had almost decided to dispatch the outspoken Oklahoman to China "to work between General Stilwell and the Generalissimo."<sup>11</sup> A final decision was not to be made until Chiang Kai-shek indicated that the appointment was acceptable, and that same day, F.D.R. sent a message to Chiang proposing Hurley as his personal emissary. Roosevelt stated that Hurley "has had broad diplomatic, political and business experience. He is a well known and respected figure in public life in this country. He served actively in the First World War and knows our Army. He should be of great service in adjusting relations between you and General Stilwell."<sup>12</sup> Several days later, the Generalissimo agreed to the special mission.

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<sup>9</sup>Feis, 172.

<sup>10</sup>Tuchman, 397, 479.

<sup>11</sup>Stettinius to Secretary of State, August 9, 1944, Foreign Relations: 1944, VI, 247-8.

<sup>12</sup>Roosevelt to Chiang, August 9, 1944, Hurley Papers.

On the same day that the mission was proposed to Chiang Kai-shek, Hurley met with Joseph C. Grew, former Ambassador to Japan and then serving as Special Adviser on Far Eastern Affairs in the State Department. Grew officially informed the Oklahoman that he was being considered for a special mission to China. The next day, Hurley consented to go, and began his preparations for the trip. Over the next few days, he conferred with H. H. Kung, the Chinese Minister of Finance and brother-in-law of Chiang Kai-shek, Major-General Thomas T. Handy, Chief of Operations, and the Chinese Ambassador. On the morning of August 18, Hurley met very briefly with President Roosevelt.<sup>13</sup>

The Oklahoman received the formal instructions for his mission at this conference. A short Presidential letter designated him as Roosevelt's personal representative to Generalissimo Chiang Kai-shek and stated that his principal mission was "to promote efficient and harmonious relations between the Generalissimo and General Stilwell and to facilitate General Stilwell's exercise of command over the Chinese Armies placed under his direction."<sup>14</sup> He was also advised to maintain close relations with the United States Ambassador in

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<sup>13</sup>Hurley Office Diary, Hurley Papers; hereafter cited as "Office Diary."

<sup>14</sup>Roosevelt to Hurley, August 18, 1944, Hurley Papers. See also Hull to Gauss, August 22, 1944, Foreign Relations: 1944, VI, 250-1.



China. A letter of introduction which Roosevelt wrote on August 19 for Hurley to present to Chiang reiterated this basic purpose of the mission.<sup>15</sup>

Hurley was asked to depart for China within a week. During this time, he conferred once again with Joseph Grew and several times with General Handy. He also met with Lieutenant-General Henry H. Arnold of the Army Air Force, Secretary of the Treasury Henry Morgenthau, Harry Hopkins, various Chinese generals, and the British ambassador.<sup>16</sup> On August 22, he discussed the mission with John Carter Vincent, Chief of the Division of Chinese Affairs, and was told to keep in contact with Ambassador Clarence E. Gauss.<sup>17</sup>

On August 24, the day before his departure, the Oklahoman went to the White House for a final conference with Roosevelt.<sup>18</sup> F.D.R. and Hurley discussed in more detail some of the major problems which the latter would face in China. The troubled relationship between Chiang and Stilwell, the issues of support of the Nationalist government, and that of the utilization of the Communist forces were all considered. Hurley expressed the opinion that it would be useful

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<sup>15</sup>Roosevelt to Hurley, August 19, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 249-50.

<sup>16</sup>"Office Diary," Hurley Papers.

<sup>17</sup>At this time, there apparently was large agreement regarding Hurley's responsibilities. See Feis, footnote, 178.

<sup>18</sup>"Office Diary," Hurley Papers.

to know more about Soviet intentions regarding China, since it was his belief that the solution to the Communist-Nationalist controversy would be found in Moscow rather than Chungking. The President agreed, and it was decided that Hurley would stop in the Soviet Union on his way to China.<sup>19</sup>

With this final briefing, Hurley was ready to leave for China. Although two weeks of intensive preparation had only scratched the surface of the complex Chinese situation, he would later emphatically deny any lack of familiarity with China.<sup>20</sup> Both he and Roosevelt were confident that any two men, no matter how diverse their backgrounds, could solve any problem by face-to-face discussion. The China tangle was no exception.

Neither Roosevelt nor Hurley ever lost this faith. The Oklahoman was always certain that success was within his grasp, and the President's confidence in Hurley remained

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<sup>19</sup>Hurley would later use this conference to justify all his actions in China. According to him, Roosevelt indicated at that time that lack of alternatives to Chiang Kai-shek left the United States no choice but to support him and even made it inadvisable to recognize any other political factions in China. With regard to the question of arming the Communists, Hurley believed the President's thinking to be that it would not be done unless they acknowledged the leadership of the Generalissimo. See Lohbeck, 280. See also "Life Statement," 43, Hurley Papers. On August 22, however, Roosevelt had written Chiang saying, "I do not think the forces to come under General Stilwell's command should be limited except by their availability to defend China and fight the Japanese." See Roosevelt to Chiang, August 22, 1944, Hurley Papers.

<sup>20</sup>"Ward Letter," 4, Hurley Papers.

steadfast. The War and State Department personnel assigned to China did not possess such optimism. Their views of the China problem were distinctly gloomy. Believing that Hurley was ill-prepared for his assignment, they also resented the intrusion of a non-professional.<sup>21</sup>

Blithely unconcerned about the difficulties he would soon be facing, Hurley departed for China, via the Soviet Union, on August 25. He was accompanied by Donald M. Nelson, head of the War Production Board, who was to discuss economic matters with the Nationalist government. Arriving in Moscow, Roosevelt's emissaries talked with V. M. Molotov, Commissar of Foreign Affairs, on August 31. Hurley's analysis of this conversation was that the Soviet Union was not supporting and would not support the Chinese Communists. The Russians would be happy to see the unification of all Chinese military forces and were willing to establish more harmonious relations with Chiang Kai-shek's regime.<sup>22</sup>

Reassured that Russia would ignore the Chinese Communists and confirmed in his belief that he could solve

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<sup>21</sup>These factors would set the stage for their later controversy with Hurley.

<sup>22</sup>Hurley's approach to the problems in China would be greatly influenced by his interpretation of this discussion. See "Life Statement," Hurley Papers. See also U. S. Department of State, United States Relations with China--with Special Reference to the Period, 1944-1949, Department of State Publication 3573. Far Eastern Series 30 (Washington, D.C., 1949), 71; hereafter cited as Relations with China.

China's problems, Hurley left for New Delhi. There he and his colleague, Nelson, were to meet General Stilwell. Arriving on September 4, they made arrangements for Stilwell to accompany them on the last leg of their journey.

The party arrived in Chungking on September 6. The next day, the Oklahoman, accompanied by Ambassador Gauss and Nelson, held his first conference with Chiang.<sup>23</sup> The Generalissimo, recognizing the importance of this meeting, was delightfully charming, and this, combined with Hurley's ready affability and susceptibility to flattery, established the basis for a friendly relationship which was to continue throughout Hurley's life.<sup>24</sup>

When the general outline of the mission was discussed, Chiang appeared willing to accept every suggestion that Hurley made. The Generalissimo expressed willingness to grant Stilwell command of all Chinese troops but stated that he would not consent to the use of the Communist armies unless the Chinese Communist Party acknowledged his authority.<sup>25</sup> With Chiang so amenable, the Oklahoman naturally

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<sup>23</sup>"Autobiography," II, 6, Hurley Papers; Hurley China Diary, September 4-7, Hurley Papers; hereafter cited as "China Diary."

<sup>24</sup>Tuchman, 496, 513.

<sup>25</sup>Chiang had indicated to Stilwell, just prior to Hurley's arrival, that he would agree to give the American General command of the Chinese armies.

received a favorable impression, and he left the meeting with high hopes of solving the command and unification problems.<sup>26</sup>

Hurley's official call on Gauss that afternoon shattered his high spirits. The Ambassador told him in emphatic terms that the Nationalist government would fall and that nothing Hurley or Nelson did would prevent its collapse.<sup>27</sup> Shocked, Hurley pointed out that such a collapse would mean the disintegration of the Chinese Army, releasing thirty or more divisions of Japanese to fight American troops. The Ambassador responded, as he would in subsequent conversations, that the Nationalist government was corrupt, inefficient, and incapable of rendering any real service to the United States either during the war or afterward. Roosevelt's emissary told Gauss that he could not accept such opinions because if they were true, the result of his mission was a foregone conclusion.<sup>28</sup> That conclusion, no self-respecting Oklahoma oilman, raised on the American dream, could accept.

Notwithstanding the chastening effect of this conversation, and the fact that this forecast of failure was only the first of many, Hurley was never to lose his assurance of ultimate success. In fact, the pessimism of those

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<sup>26</sup>Hurley to Roosevelt and Chief of Staff, September 8, 1944, Hurley Papers.

<sup>27</sup>Smith, 56. See Relations with China, 64, for a brief discussion of Gauss' pessimism.

<sup>28</sup>"Life Statement," 45, Hurley Papers.

around him only made the pursuit of success that much sweeter, and each limited and often superficial achievement which Hurley gained in the next few months reinforced his illusions.

Initially, the Oklahoman did seem to be making progress. Almost every day and sometimes more than once a day, Chiang discussed with him how command could satisfactorily be conferred on Stilwell. While the Generalissimo continued to avow his desire to follow Roosevelt's advice, he insisted upon precautions, saying that without them Stilwell would have more actual power in China than himself. He wanted it clearly understood that on major matters of strategy, Stilwell was under his orders, and he also insisted that he have control over the distribution of lend-lease supplies.

Hurley was certain, despite these conditions, that agreement was imminent. When Chiang told him again on September 8 that he was willing to give Stilwell actual command of all armed forces, Hurley immediately reported to the President and the Chief of Staff: "There is a good prospect for unification of command in China and the Generalissimo shows a definite tendency to comply with your wishes."<sup>29</sup> To knock down the remaining obstacles, Hurley

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<sup>29</sup>Hurley to Roosevelt and Chief of Staff, September 8, 1944, Hurley Papers.

prepared, in accordance with a suggestion from the Generalissimo an agenda for the discussions which he believed would lead to command responsibility being conferred on Stilwell.<sup>30</sup>

Crucial areas of disagreement were soon apparent.<sup>31</sup> Most significant, Chiang desired that the definition of Stilwell's authority as Field Commander be made a formal international agreement between Chiang and the United States.

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<sup>30</sup>The agenda originally contained ten points: 1. The paramount objective of Chinese American collaboration is to bring about a unification of all military forces in China for the immediate defeat of Japan and the liberation of China. 2. To cooperate with China in bringing about closer relations and harmony with Russia and Britain for the support of the Chinese objectives. 3. The unification of all military forces under the command of the Generalissimo. 4. The marshalling of all resources in China for war purposes. 5. Support efforts of Generalissimo for political unification of China on a democratic basis. 6. Submit present and post-war economic plans for China. 7. Definition of the powers of General Stilwell as Field Commander. 8. Definition of General Stilwell's powers as Chief of Staff to the Generalissimo. 9. Prepare for presentation of diagram of command. 10. Discuss future control of lend lease in China. See Hurley to Roosevelt, September 21, 1944, Hurley Papers.

<sup>31</sup>T. V. Soong, Chinese Foreign Minister, protested that political unification of China could not be "on a democratic basis," as China was not yet prepared for popular government. Although Stilwell and Hurley were agreed that lend-lease distribution should remain in American hands, Chiang continued to insist that he be given control of these materials. See Hurley to Roosevelt, September 14, 1944, Hurley Papers.

Hurley pointed out that this would involve a long procedure requiring Congressional approval, and he suggested, therefore, that Chiang merely issue the following order: " I, Chiang Kai-shek, . . . do hereby appoint General Joseph W. Stilwell, Field Commander of the Ground and Air Forces of the Republic of China. He will be responsible directly to me for the operation of these forces."<sup>32</sup>

The Generalissimo hesitated before approving these broad orders. Hurley, who was sympathetic, commented in a letter to President Roosevelt, "Probably never before in modern history has so much been asked of one nation by an ally. There can be little wonder that the Generalissimo preferred to postpone his decision."<sup>33</sup> Still confident, though, that he could successfully conclude the principal directives of his mission to China, Hurley worked to create a feeling of goodwill between Chiang and Stilwell and to calm Chiang's apprehensions.<sup>34</sup>

He also turned his attention to the divisive Kuomintang-Communist conflict. The President's emissary pointed out to the Generalissimo that the United States would

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<sup>32</sup>Ibid; Lohbeck, 288.

<sup>33</sup>Ibid.

<sup>34</sup>Despite Hurley's optimism and his subsequent accounts, there is no evidence of real progress in this area.



be better disposed to give increased aid to the Chinese armies if the threats of civil war were brought to an end by a truce with the Communists.

While Hurley felt he was making progress in both these areas, the military situation was becoming quite critical. Not surprisingly, relations between Chiang and Stilwell had degenerated even more. Each man was furious with the other. Stilwell blamed the "Peanut" for the expected loss of South China, and Chiang threatened "Vinegar Joe" with the withdrawal of his troops from the Burma campaign. Stilwell sent a somber and alarming report, harshly critical of the Generalissimo, to Marshall.<sup>35</sup>

General Marshall was in Quebec, where Churchill and Roosevelt were holding another of their wartime conferences, when Stilwell's message arrived, and it was forwarded to him there. Churchill and Roosevelt had just agreed upon large-scale operations against the Japanese, and the whole plan would have been dislocated if the Generalissimo removed his troops from the Burma campaign. Both Marshall and the President agreed that this could not be allowed to occur, and the General prepared a terse message for Chiang which

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<sup>35</sup>Stilwell also sent several notes to T. V. Soong announcing that if Chiang did not make up his mind to appoint him commander of the Chinese armed forces, he would recommend that the United States withdraw from China and set up its Asiatic base elsewhere. See Tuchman, 490-1.

Roosevelt signed.<sup>36</sup> The note stated that the President was convinced, after reading the latest reports on the situation in China, that the Generalissimo was faced with disaster unless he proceeded at once to: (1) reinforce the Chinese Armies in Burma and have them press their offensive; (2) place General Stilwell in "unrestricted command" of all the Chinese armed forces. This stern note was softened by the conclusion which stated that Roosevelt knew that Chiang, with his "far-sighted vision," would realize the necessity of doing what was now required.<sup>37</sup>

This message arrived in Chungking on September 19 and Stilwell decided to deliver it personally, in accordance with orders issued by Roosevelt in May, 1944.<sup>38</sup> The General was delighted with the message, and he recorded in his diary that the "Peanut will have a red neck on this one."<sup>39</sup> On his way to deliver the message, Stilwell stopped by to talk with Gauss. He told the Ambassador that he had a message from the

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<sup>36</sup>"Autobiography," II, 9, Hurley Papers.

<sup>37</sup>President Roosevelt to Generalissimo Chiang Kai-shek, September 16, 1944, Foreign Relations: 1944, VI, 157-8. See also Feis, 189; Romanus and Sunderland, Stilwell's Command Problems, 445-6.

<sup>38</sup>Romanus and Sunderland, Stilwell's Command Problems, 444. White and Jacoby record that Stilwell was instructed to deliver it personally. See Footnote 7, 333.

<sup>39</sup>Entry, September 19, 1944, "Stilwell Diary," Stilwell Papers.

President that he knew would badly agitate Chiang, but he did not show it to him.<sup>40</sup>

Throughout that autumn day Hurley was at the Generalissimo's nearby mountain retreat attending a meeting with Chiang and members of his cabinet and military staff, the purpose of which was to obtain final agreement on Stilwell's command role. Just when Hurley thought he was at the crucial point of obtaining Chiang's approval, an orderly announced that the General was outside and wished to see him. Chiang told Hurley to ask Stilwell to join them for tea, but the orderly replied that the General wished to see Hurley first. Roosevelt's emissary excused himself and left the room.<sup>41</sup>

On the porch, Stilwell told Hurley that he had just received a message from the President which he was directed to deliver in person to the Generalissimo. He then handed him the note. Upon reading it, Hurley tried to dissuade Stilwell from delivering the message and suggested instead that it be paraphrased.<sup>42</sup> Relating to General Stilwell the progress of the morning's consultation, Roosevelt's emissary expressed his confidence that Chiang was ready to agree to every demand

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<sup>40</sup>Feis, 189.

<sup>41</sup>"Autobiography," II, 10, Hurley Papers.

<sup>42</sup>Ibid.

mentioned in the message.<sup>43</sup>

Having little faith in Chiang's promises, Stilwell still insisted on giving the message to the Generalissimo, and together they rejoined the gathering of Chinese officials. Tea was served, and as soon as General Stilwell finished his cup, he announced that he had a message for Chiang from the President. He then handed it to the Generalissimo who passed the message to a translator to read.<sup>44</sup> Hurley stepped forward immediately, with the intention of saving Chiang from the humiliation of having the message read aloud in front of subordinates, took the message from the hands of the translator, and suggested that it might be better if the Generalissimo read the Chinese translation himself. As Chiang silently and slowly read the message, the blood drained from his face and his neck muscles stiffened. Without making any reference whatever to the message,<sup>45</sup> he inverted his teacup as a signal that the meeting was over, and everyone left.<sup>46</sup>

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<sup>43</sup>Hurley later recorded that he told Stilwell, "Joe you have won this ballgame and if you want command of the forces in China all you have to do is accept what the Generalissimo has already agreed to." See "Ward Letter," 34, Hurley Papers.

<sup>44</sup>Additional notes written on November 8 to be added to September 19, 1944, entry, "China Diary," Hurley Papers. See also "Autobiography," II, 11, Hurley Papers.

<sup>45</sup>Additional notes written on November 8 to be added to September 19, 1944, entry, "China Diary," Hurley Papers. According to Stilwell, Chiang just said, "I understand." See entry, September 19, 1944, "Stilwell Diary," Stilwell Papers.

<sup>46</sup>"Autobiography," II, 11-2, Hurley Papers.

The Generalissimo called Hurley that evening, and they had dinner together. Discussing the incident coldly and bluntly, Chiang Kai-shek said that the time had come for a break with Stilwell. He asserted that he had been willing to accede to the requests of President Roosevelt to unify the military forces and to appoint Stilwell as commander but that the General's action now made that impossible. Chiang pointed out that he had been in disagreement with Stilwell for years and accused the General of trying to humiliate him. In fact, the only reason he had tolerated Stilwell was his desire to cooperate with the President, but he would now insist that the General be relieved as Chief of Staff and Commander of Chinese Forces.<sup>47</sup> He was deeply offended by the tone of Roosevelt's message, and he believed that Stilwell had requested Marshall and Roosevelt to issue the ultimatum.<sup>48</sup>

In this and subsequent conferences, the Generalissimo did not alter his position. Hurley felt there was a fundamental incompatibility between Stilwell and Chiang and that a deadlock had been reached. In fact, the first draft of his next report on the situation was equivalent to a recommendation that General Stilwell be relieved. Although the Oklahoman ended the message by saying that "while the

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<sup>47</sup>Additional notes written on November 8 to be added to September 19, 1944, entry, "China Diary," Hurley Papers.

<sup>48</sup>"Autobiography," III, 1, Hurley Papers.

situation is difficult a harmonious solution is possible," he had included a statement that "the Generalissimo and Stilwell appear to be personally and fundamentally suspicious of each other."<sup>49</sup>

The General disapproved of these comments and Hurley omitted them "to give one more opportunity for appointment of Stilwell and cooperation between him and Chiang."<sup>50</sup> In place of the statements to which Stilwell objected, Hurley added a lengthy discourse on the factors responsible for the impasse:

The nature of General Stilwell's mission, the obstruction he has met due to the jealousy and concern for face of the Chinese Chief of Staff and others, the inherent dislike for any foreign control on the part of the Chinese and in particular of the Generalissimo, the necessity for safe-guarding American interests have put General Stilwell frequently in a position where he has had to differ with the Generalissimo and stand alone in telling him the truth. This has in the past led to friction, due to the fact that the Generalissimo holds very decided views, in most cases not subject to argument, and that Stilwell has to get on with his mission somehow or other. I believe that in spite of the differences in their viewpoints, the situation will iron itself out.<sup>51</sup>

While not agreeing with Stilwell's analysis of the difficulties, Hurley sent the message.

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<sup>49</sup>Hurley to President, September 21, 1944, Hurley Papers.

<sup>50</sup>Handwritten note across above message; Ibid.

<sup>51</sup>Hurley to President, September 21, 1944, Hurley Papers. See also entry, September 21, 1944, "Stilwell Diary," Stilwell Papers.

General Stilwell was apparently convinced that the Generalissimo would concede for he wrote Marshall on the 22nd that Chiang was hesitating as a man before taking a bitter dose of medicine.<sup>52</sup> But, when Hurley's continued discussions with Chiang resulted in no amelioration of the situation, Stilwell decided to prepare a compromise.

Explaining his awareness that an impasse existed, his proposal further acknowledged that Chiang had recently taken some steps to comply with his past recommendations. The General then offered assurances regarding the two matters which he thought were worrying Chiang most--the use of Communist forces and control of lend-lease materials. Hurley leaped at Stilwell's new terms to break the deadlock, and he enthused, "This will knock the persimmons off the tree."<sup>53</sup> Hurley immediately attempted to persuade Chiang to accept Stilwell's gesture of cooperation but found that the Generalissimo was no longer willing to consider any program which would leave General Stilwell in authority in China.<sup>54</sup>

Hurley tried to dissuade Chiang from requesting Stilwell's recall, but the Generalissimo was adamant.<sup>55</sup> On

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<sup>52</sup>Relations with China, 68.

<sup>53</sup>Entry, September 23, 1944, "Stilwell Diary," Stilwell Papers.

<sup>54</sup>"Autobiography," III, 4, Hurley Papers.

the evening of September 25, Hurley received Chiang Kai-shek's final reply to the President's message of the nineteenth. Chiang was willing to place an American officer in command of all Chinese forces fighting against Japan to make whatever changes in staff and personnel might be necessary to assure harmonious relations with the American commander.<sup>56</sup> He refused, though, to "confer this heavy responsibility upon General Stilwell," and asked "for his resignation as chief of staff of the China Theater and his relief from duty in this area."<sup>57</sup> The language of the message also made clear that the Generalissimo was not disposed to place any American "in unrestricted command" and that he expected obedience from whatever American might be appointed.<sup>58</sup> Hurley forwarded Chiang's message to Washington, explaining that the Generalissimo and Stilwell were incompatible.<sup>59</sup> For the next few days, all interest centered on the President's reply.

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<sup>56</sup>Ibid., 5. See also U. S. Senate, Committee on Armed Services and Committee on Foreign Relations, An Inquiry into the Military Situation in the Far East . . . . Hearings Before the Committee on Armed Services and Committee on Foreign Relations, United States Senate, 82nd Congress, 1st Sess., Parts 1-5, (Washington, D.C., 1951), IV, 2874. Hereafter cited as Military Situation.

<sup>57</sup>Military Situation, IV, 2875.

<sup>58</sup>Feis, 193.

<sup>59</sup>Chiang to Roosevelt, September 25, 1944, Military Situation, IV, 2874-6. See also "Autobiography," III, 6, Hurley Papers.



On September 26, the day after Hurley's cable was sent, Stilwell wrote a very bitter note to Marshall discussing the stalemate. He stated that the Generalissimo had no intention of making further efforts to prosecute the war and that anyone who prodded him towards such action would be blocked or eliminated. Denouncing Chiang's complaints about lack of cooperation as silly, Stilwell finally asserted that he was now convinced that

the U.S. will not get any real cooperation from China while CKS is in power. I believe he will only continue his policy of delay, while grabbing for loans and post-war aid, for the purpose of maintaining his present position, based on one party government, a reactionary policy, and the suppression of democratic ideas, with the active aid of his gestapo.<sup>60</sup>

As the days passed and no reply from Roosevelt was forthcoming, the tension in Chungking increased. It was during this period that General Stilwell, although still maintaining that the United States should insist on Chiang's acceptance of its demands, presented several new proposals which he presumably felt might ameliorate the situation.

In Washington the President awaited the return of Marshall from Europe in order to secure his advice on the Stilwell controversy. Upon his arrival, the Chief of Staff stated his belief that it was militarily necessary to keep

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<sup>60</sup> Stilwell to Marshall, September 26, 1944, Hurley Papers.

General Stilwell, and Stimson agreed with him. They also felt that Stilwell's recall would be a great injustice. Several terse messages were prepared by Marshall for the President to send to Chiang, indicating continued support for Stilwell and unwillingness to concede to the Generalissimo. The President hesitated, however, to send such a note.<sup>61</sup>

At this juncture, the Chinese Minister of Finance, H. H. Kung, who was in Washington, talked over the situation with Hopkins. Kung received the impression that, if Chiang insisted, Roosevelt would dismiss Stilwell, and he cabled this information to Chungking. The Generalissimo, now feeling assured of Roosevelt's intentions, addressed the Standing Committee of the Kuomintang on October 2 and asserted that he would continue to insist that Stilwell must go.<sup>62</sup> Word of this declaration spread rapidly over the city, and if there had ever been any chance for compromise, it now ended.

General Stilwell, although apparently still hopeful, indicated to Marshall his belief that the Kung-Hopkins' incident had stiffened the Generalissimo's attitude. Since

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<sup>61</sup>James V. Forrestal, The Forrestal Diaries (New York, 1951), edited by Walter Millis and E. S. Duffield, entry of October 5, 1944, 12. See also Romanus and Sunderland, Stilwell's Command Problems, 454.

<sup>62</sup>Hurley to President, October 6, 1944, Hurley Papers. See also Hopkins to Hurley, October 7, 1944, Hurley Papers.

Chiang would not back down unless he had "it proved to him that the US means business," there was no use attempting compromise. If the Generalissimo got his way, the mission would be lost.<sup>63</sup>

While the Stilwell-Chiang crisis was reaching its apex, China's position had altered in America's military strategy. China was no longer primary in the plan for the defeat of Japan. Because of the success of the island campaigns, the Joint Chiefs of Staff had concluded that it would not be necessary to make an American landing on the Chinese coast.<sup>64</sup> This change in strategy had been another reason for Roosevelt's hesitation in replying to Chiang, and it was obvious in the note which the President finally sent to Chungking. The Generalissimo was informed by Roosevelt that he thought the situation in China had so deteriorated that the United States should not accept responsibility for the command of ground forces in China. While willing to relieve Stilwell as Chief of Staff and to give someone else control of the distribution of lend-lease supplies, he felt that if Stilwell were removed from the Burma campaign, "the results would be far more serious than you apparently

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<sup>63</sup>Stilwell to Marshall, undated, Hurley Papers.

<sup>64</sup>Feis, 195-6.

realize."<sup>65</sup> Roosevelt was also willing to agree to Chiang's request that Chennault continue in command of the 14th Air Force and Hurley continue as his special representative.<sup>66</sup>

Chiang Kai-shek's first reply to the President's message was bitterly critical of Stilwell and demanded again the recall of the General. Hurley rejected not only this message but two revisions as too blunt.<sup>67</sup> A milder message was finally sent on October 10. Although still insistent on the relief of Stilwell, the Generalissimo said he was willing and anxious to comply with Roosevelt's wishes. He concluded by saying that he was "wholly confident that if the President replaces General Stilwell with a qualified officer, we can work together to reverse the present and to achieve a vital contribution to victory in China."<sup>68</sup>

To accompany Chiang's message, Hurley prepared a brief statement which requested the President to decide

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<sup>65</sup>President to Chiang Kai-shek through Hurley, October 5, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 165-6.

<sup>66</sup>Ibid.

<sup>67</sup>"Autobiography," III, 9, Hurley Papers and Lohbeck, 299. See also Military Situation, IV, 2869 and suggested revision of aide memoire, Chiang Kai-shek to President, October 8, 1944, Hurley Papers.

<sup>68</sup>Aide Memoire from Chiang to President, October 9, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 169.

between the two men.<sup>69</sup> Still believing that a strong stand by the United States would break the "Peanut," Stilwell protested this action, and in private, he bitterly referred to Hurley as "Some diplomat."<sup>70</sup> Cabling Marshall, "Vinegar Joe" urged Washington to remain firm, warning that "If the Generalissimo has his way, no one will ever get anywhere on this mission."<sup>71</sup>

Feeling that nothing could smooth over relations between Chiang and Stilwell, Hurley apparently mulled over for several days what action he should take. Then, on the night of October 12, unable to sleep, he arose and started to work on a message to the President expressing his views.<sup>72</sup> The statement reiterated Hurley's belief that "the two men are fundamentally incompatible and . . . mutually suspicious of each other. The Generalissimo reacts favorably to logical persuasion and leadership. You can do business with the Generalissimo. He reacts violently against any form of coercion, 'squeeze play' or ultimatum."<sup>73</sup> In Hurley's

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<sup>69</sup>Hurley to Roosevelt, October 10, 1944, Foreign Relations: 1944, VI, 170.

<sup>70</sup>Entry, October 9, 1944, "Stilwell Diary," Stilwell Papers.

<sup>71</sup>Stilwell to Marshall, October 9, 1944, Hurley Papers. See also "Autobiography," III, 9, Hurley Papers.

<sup>72</sup>"Autobiography," III, 9-10, Hurley Papers. See also "Ward Letter," 38, Hurley Papers.

<sup>73</sup>Hurley to President, October 14, 1944, Hurley Papers.

opinion, Stilwell was

incapable of understanding or cooperating with Chiang Kai-shek politically. Stilwell has stated that Chiang Kai-shek never acts until action is forced upon him. On this thesis, Stilwell's every act is a move toward the complete subjugation of Chiang Kai-shek. There is no issue between you and Chiang Kai-shek except Stilwell. My sympathies are with Stilwell. After I had changed my message to you of September 21 to support Stilwell's ideas, he agreed with me that the Generalissimo does cooperate.<sup>74</sup>

Hurley then pointed out that Chiang had been prepared to give Stilwell the command in deference to the President's wishes. The General repeatedly showed, though, that "he had no intention of cooperating with the Generalissimo; his one intention was to subjugate. Stilwell's fundamental mistake is in the idea that he can subjugate a man who has led a nation in revolution and who has led an ill-fed, poorly equipped, practically unorganized army against an overwhelming foe for 7 years."<sup>75</sup> Hurley then stated his opinion that if "you sustain Stilwell in this controversy you will lose China with him."<sup>76</sup>

It was the Oklahoman's recommendation that a new American officer, acceptable to Chiang, should be appointed and that the United States should assume responsibility, as the Generalissimo wanted, for command of all ground and air

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<sup>74</sup>Ibid.

<sup>75</sup>Ibid.

<sup>76</sup>Ibid.

forces in China, for reorganization of the service of supply, and for training the army. He was convinced that the Chinese army could be reorganized but not with Stilwell. Hurley pointed out that Chiang's prestige was suffering from the military reversal, and that if the United States forced him to back down on his public statement to refuse to appoint Stilwell, which he had made because he believed that it had Roosevelt's approval, his usefulness would be diminished if not destroyed. In further defense of the Generalissimo, Hurley denounced criticism of him. He asserted that the propaganda that Chiang was selling lend lease supplies was absurd. Moreover, although the Chinese government was a dictatorship at present, it was trying to become a republic. The Oklahoman concluded his message by stating that while the situation in China was chaotic, it was not hopeless, and that although Stilwell was a fine individual, he was not the man for the job of keeping China in the war.<sup>77</sup>

By dawn this message was completed. As soon as it was typed, Hurley took it to Stilwell. The General's household was not astir, but he was up and making coffee.<sup>78</sup> According to Hurley, Stilwell read the message and discussed it with "earnest understanding and complete friendliness," although he

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<sup>77</sup>Ibid.

<sup>78</sup>"Autobiography," III, 10, Hurley Papers; "Ward Letter," 39, Hurley Papers.

did express the belief that the message would boomerang on Hurley.<sup>79</sup> Stilwell's Diary disagrees with the Oklahoman's account and recorded that Hurley came to see him on the 10th, rather than the 13th, and that he regarded the message "as cutting my throat with a dull knife."<sup>80</sup> Moreover, Stilwell stated that when he gave Hurley his reaction to the message, Hurley "pulled a few of the barbs out . . . ."<sup>81</sup>

Whatever the exact circumstances, General Stilwell was greatly concerned over the entire situation, and on October 19, he received the message he had been expecting. Marshall cabled him that his recall was imminent, and a few hours later, the President's message arrived stating that Stilwell was recalled from his command and was to proceed immediately to Washington.<sup>82</sup> After receiving this message, the General recorded: "Hurley feels very badly. Told me he had lost me the command. Sees his mistakes now--too late."<sup>83</sup> The same message from Roosevelt which recalled Stilwell

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<sup>79</sup>Ibid.

<sup>80</sup>Entry, October 10, 1944, "Stilwell Diary," Stilwell Papers.

<sup>81</sup>Ibid.

<sup>82</sup>Stilwell was, however, exonerated from all blame for the critical situation in China. See "Autobiography," III, 11, Hurley Papers.

<sup>83</sup>Entry, October 19, 1944, "Stilwell Diary," Stilwell Papers. Hurley makes no mention of this in any accounts he gave of the incident.



announced the appointment of Major-General Albert C. Wedemeyer as commander of all United States forces in the China theater.

With this development, one of the major aims of Hurley's mission was concluded. Instead of promoting harmonious relations between Chiang Kai-shek and General Stilwell and obtaining Stilwell's command over the Chinese army, he had recommended the General's recall. Although his critics were not of the same opinion, Hurley maintained throughout his life that he had made the right decision. In the months and years following Stilwell's recall, he became convinced that the General had been led astray by his political advisers, the Foreign Service Officers, who had influenced him with their pro-Communist and anti-Chiang views.<sup>84</sup>

Although no such opinion was ever expressed during the course of the Stilwell-Chiang crisis--in fact, the Foreign Service Officers were not even mentioned in the records that Hurley maintained--his open controversy with the professional diplomats probably began at the time of Stilwell's recall. There is no doubt that the original uncertainty of the

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<sup>84</sup>Hurley ultimately asserted that the record of General Stilwell in China, although the General never realized it, was "irrevocably coupled in history with the conspiracy to overthrow the National Government of the Republic of China and to set up in its place a Communist regime." See "Ward Letter," 18-9, Hurley Papers.

Foreign Service Officers concerning Hurley's capabilities was strengthened. These men had great respect for General Stilwell and felt that Hurley was partially at fault in the unfortunate, as they viewed it, outcome of the controversy. Of greater significance, Hurley, with the conclusion of the first phase of his mission, would have more time to familiarize himself with his new environment. It would not be long before he discovered certain aspects of the Chinese scene which were highly disturbing to him.

## CHAPTER III

### NEGOTIATIONS WITH THE COMMUNISTS-NATIONALISTS

As a result of the Stilwell recall, Hurley's status with the Generalissimo was greatly strengthened, and he was ready to move to the completion of the second of his major directives--the unification of all the military forces of China. Since his arrival in that nation, Roosevelt's emissary had been concerned with the problem of unification, and it was obvious to him that this had to be preceded by a political settlement of the Nationalist-Communist controversy. In an effort to encourage settlement, Hurley had stressed to Chiang the need and benefits of unification of all the military forces of China, but the Generalissimo continued to hedge.

On September 11, the Communists had invited the Oklahoman to visit Yen-an. Although holding--and expressing--the opinion that no good would come of the trip, the Generalissimo had said he was willing to have Hurley talk to the Communists but asked that he postpone the visit. Roosevelt's emissary had remained, therefore, in Chungking and begun a series of talks with the Communist representatives stationed there. He also had conferred with the official committee that Chiang had appointed to study the reorganization

of the Nationalist government. There were, of course, frequent discussions with Chiang and T. V. Soong. As a result of these conferences, Hurley evolved five points of possible accord between the Communists and Nationalists. This proposal, which Hurley described as "rather innocuous," was to provide the basis for further negotiations between the contending groups. At that time, the Oklahoman had buoyantly reported to Roosevelt that "For the first time it begins to look as if unification of all military forces in China is possible."<sup>1</sup>

Hurley had only delayed going further in his efforts because he had feared that Chiang might be affronted, but his new status with the Generalissimo now reassured him. To bolster his optimism further, Chiang wrote to Roosevelt praising Hurley and stating that he had complete confidence in him. The Generalissimo also declared that he was going to rely on the Oklahoman for assistance in negotiating with the Communists since it was his "purpose to incorporate the Communist troops in the regular forces of the National Army."<sup>2</sup> With Chiang "obviously" favoring a solution of this problem

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<sup>1</sup>Hurley to President, October 19, 1944, Hurley Papers. See also Hurley to President, September 21, 1944, Hurley Papers and Hurley to Secretary of State, January 31, 1945, Hurley Papers.

<sup>2</sup>Generalissimo to President, October 25, 1944, Hurley Papers.

and with the five point basis already established for negotiations, Hurley was certain that he could solve the Nationalist-Communist controversy.

He was convinced that he understood the positions of both groups. They used the same symbols and sometimes the same phrases, and to him they seemed to have the same objectives. The Oklahoman saw no reason, therefore, why simple discussion between the Communists and Nationalists would not result in agreement. Unfortunately, he viewed the Chinese political situation in the context of America's political tradition. Failing to realize that he was not dealing with the Democratic and Republican parties in the United States, he was unable to see the deep gulf separating the two sides.<sup>3</sup>

Full of confidence and glowing with praise, Hurley was now eager to begin negotiations with the Communists. He had to delay, however, until the arrival of Wedemeyer. While waiting anxiously, he received a message from Davies which urged him to come to Yen-an. The Foreign Service Officer told Roosevelt's emissary that information could be obtained there which was not available in Chungking and which would vitally affect the war and future balance of power in Asia.<sup>4</sup> Hurley replied that he could not come until after the General's

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<sup>3</sup>Tsou, 183-195.

<sup>4</sup>Davies to Hurley, October 27, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 659.

arrival and asked Davies to come to Chungking and "give me the picture while we are waiting."<sup>5</sup>

Wedemeyer arrived, but Hurley's trip was again delayed by the resignation of Ambassador Gauss. The American Embassy in Chungking had long been degenerating into an institution of only minor importance in the conduct of Sino-American relations. Gauss, a direct and sometimes cranky man, was prone to speak his opinion without hesitation. Not beguiled by the charming circle that surrounded Chiang, his relations with the Chinese government officials had remained business-like and nothing more.<sup>6</sup> Gauss also agreed with Stilwell's opinion of the Chinese government and was never optimistic concerning either its present or future value to the United States.<sup>7</sup> He was not very popular with Roosevelt who preferred not to hear such pessimism. In the main crises with China, the President had, therefore, bypassed the Ambassador and used other agents such as Hopkins and T. V.

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<sup>5</sup>Hurley to Barrett for Davies, undated, Hurley Papers. Hurley would later assert that Davies' message "was a clever invitation for me to establish diplomatic contact between President Roosevelt and the Chinese Communists, completely bypassing Chiang's government." See "Autobiography," IV, 5, Hurley Papers.

<sup>6</sup>Feis, 208. See also Vincent to Grew, October 2, 1944, Foreign Relations: 1944, VI, 259-60.

<sup>7</sup>Gauss to Secretary of State, September 28, 1944, Foreign Relations: 1944, VI, 256-8. See also White and Jacoby, 217-8.

Soong.<sup>8</sup> No one was greatly surprised, therefore, when Gauss resigned on November 1. Regarding his term of service in China a frustrating failure, he was delighted to turn the job over to someone else.<sup>9</sup>

It is certain that Roosevelt immediately considered Hurley for the position, for the Oklahoman was already deeply involved in Chinese affairs and the President believed him to be totally loyal. In addition, the Generalissimo and other Chinese had indicated that they "would most heartily welcome Hurley" as ambassador.<sup>10</sup> The first official record concerning Hurley's appointment was not to appear, however, until the November 17 cable which Roosevelt sent Hurley: "If agreeable, would like to appoint you as Ambassador to China. Your intimate knowledge of the situation there, both from the military and diplomatic standpoints, I feel eminently qualifies you for this important post during the present critical

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<sup>8</sup>Ibid. According to Hurley, Gauss had immediately assumed that the real reason for Hurley's arrival was to replace him. To calm Gauss' apprehension, Hurley had explained that he had no interest in becoming ambassador. See Lohbeck, 208.

<sup>9</sup>Feis, 208. It is not certain if Hurley influenced the resignation. There was no mention of such involvement at the time, but in a message to the Secretary of State in May, 1945, Hurley states that he recommended the withdrawal of Gauss. See Hurley to Secretary of State, May, 1945, Hurley Papers. Moreover, he had always hoped to become ambassador. See Stettinius to Secretary of State, August 3, 1944, Foreign Relations: 1944, VI, 247.

<sup>10</sup>Madame T. V. Soong to Hopkins, Hurley Papers.

times."<sup>11</sup> The Oklahoman accepted immediately.<sup>12</sup>

Hurley was exceedingly "diplomatic" about informing the Chinese of his new job. While at the Generalissimo's villa the following evening, Hurley only indicated to Chiang that the President had offered him the position. The Generalissimo "arose and came over to shake hands with me and said he had been working and praying for that for two months."<sup>13</sup> Hurley then told Chiang that he had wished his approval before accepting the President's offer.<sup>14</sup> This incident was only one of many in the reciprocal courtship of these two dynamic men, each of whom had set out to win the other.

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<sup>11</sup>Roosevelt to Hurley, November 17, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 700.

<sup>12</sup>Hurley to President, November 17, 1944, Hurley Papers. Hurley would later testify that he was immediately offered the ambassadorship but declined on the basis that he preferred to remain a special emissary believing that if he became ambassador he would be subject to "political entanglements." He also claimed that he told Roosevelt that the things which he had been directed to do "made me very unpopular with the career men of the State Department who mostly all were in favor of the Communists." See John Paton Davies, Jr. Hearings before a Security Hearing Board, June 26, 1954, 45, Hurley Papers. These hearings were held during June and July of 1954 and will hereafter be cited as "Davies Hearings." See also "Ward Letter," 27, Hurley Papers. At another time Hurley asserted that since he had "had the disagreeable duty of removing, or causing the removal of a number of very eminent . . . Americans, I felt that someone else should now take over the job." See "Life Statement," 46, Hurley Papers. Hurley also later stated that he had accepted Roosevelt's cable of November 17 as an order which he had no choice but accept. See Lohbeck, footnote 2 of Chapter 3, 497.

<sup>13</sup>Entry, November 18, 1944, "China Diary," Hurley Papers.

<sup>14</sup>Ibid.



While these events were transpiring, Hurley, in blithe spirits, flew to Yen-an on November 7 to meet with the leaders of the Communist Party. Arriving there unannounced he characteristically unloosed an Indian war whoop while Communist officialdom was scurrying to greet him. This unorthodox salutation as well as his ready affability, combined with the Communists' anxiety to impress Hurley, helped to establish an amicable relationship in a short time.<sup>15</sup>

For the next two days, Hurley and the Communists negotiated, or as the Oklahoman phrased it, "argued, disagreed, denied, and admitted in the most strenuous fashion and pulled and hauled my five points until they were finally revised . . . ." <sup>16</sup> The result of this effort was as follows:

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<sup>15</sup>Contemporary records of these events by Hurley include no untoward incident, but later he would attribute significance to one event. Theodore White, magazine correspondent, and Davies returned to Chungking on Hurley's plane. At the time, the only mention of this by Hurley was a brief message to Wedemeyer which included the statements that "Davies and White leaving on plane. Their attitude towards you satisfactory." See Hurley to Wedemeyer, November 8, 1944, Hurley Papers. Later, Hurley testified that he had ordered these two men back because they opposed America's policy, and he feared that they would interfere with his efforts in Yen-an. See "Davies Hearings," June 26, 1954, 39-61, Hurley Papers.

<sup>16</sup>Hurley to Secretary of State, January 31, 1945, Hurley Papers; also in U. S. Department of State, Foreign Relations of the United States: 1945, Vol. VII (Washington, D.C., 1969), 92-7; hereafter cited as Foreign Relations: 1945. See also memorandum of conference, November 8, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 674-87. See also Hurley's original draft of the five points in Foreign Relations: 1944, VI, 659.

1. The Government of China, the Kuomintang of China and the Communist Party of China will work together for the unification of all military forces in China for the immediate defeat of Japan and the reconstruction of China.
2. The present National Government is to be reorganized into a Coalition National Government embracing representatives of all anti-Japanese parties and non-partisan political bodies. A new democratic policy providing for reform in military, political, economic and cultural affairs shall be promulgated and made effective. At the same time the National Military Council is to be reorganized into the United National Military Council consisting of representatives of all anti-Japanese armies.
3. The Coalition National Government will support the principles of Sun Yat-sen for the establishment in China of a government of the people, for the people and by the people. The Coalition National Government will pursue policies designed to promote progress and democracy and to establish justice, freedom of assembly and association, the right to petition the government for redress of grievances, the right of writ of habeas corpus and the right of residence. The Coalition National Government will also pursue policies intended to make effective the two rights defined as freedom from fear and freedom from want.
4. All anti-Japanese forces will observe and carry out the orders of the Coalition National Government and its United Military Council and will be recognized by the Government and the Military Council. The supplies acquired from foreign powers will be equitably distributed.
5. The Coalition National Government of China recognizes the legality of the Kuomintang of China, the Chinese Communist Party and all anti-Japanese parties.<sup>17</sup>

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<sup>17</sup>Agreement between the National Government of China, the Kuomintang of China and the Communist Party, November 10, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 687-8.

This proposed agreement was signed by Mao Tse-tung, as Chairman of the Central Committee of the Communist Party of China, and Hurley, as Personal Representative of the President of the United States.<sup>18</sup> Hurley advised the Communist officials, as he had been cautioned to do by the Foreign Service Officers, that he could not guarantee Chiang's reception of these proposals. He suggested that Chou En-lai, Vice-chairman of the Chinese Communist Party, return with him to Chungking to continue discussions with the Nationalists.<sup>19</sup>

Although the agreement was only a statement of intentions and failed to include any vital suggestions as to how they could be made workable,<sup>20</sup> it, allied with Hurley's observation that economic practices in Yen-an were not communistic, reassured him even more that there were no real differences between the Nationalists and the Communists. Armed with this agreement and accompanied by Chou, Hurley returned to Chungking. He believed victory was at hand.<sup>21</sup>

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<sup>18</sup>Ibid. See also Relations with China, 74-5.

<sup>19</sup>Hurley to Secretary of State, January 31, 1945, Hurley Papers.

<sup>20</sup>Feis, 215.

<sup>21</sup>"Life Statement," 59, Hurley Papers.

Hurley's hopes for an immediate settlement were dashed only a few hours after his arrival in the capital. Upon reading the agreement, T. V. Soong rejected it, saying "You have been sold a bill of goods by the Communists."<sup>22</sup> Although the Oklahoman thought that Soong's criticisms were trivial and could easily be corrected, when he talked to Chiang Kai-shek a few days later, the Generalissimo was also of the opinion that the agreement was impossible. Chiang argued that the proposals would result in the collapse of the Nationalist government and its eventual control by the Communists.<sup>23</sup> Despite Hurley's efforts to persuade the Generalissimo that an agreement such as his five point one would strengthen the government politically and militarily, thus preventing its collapse, the Nationalists refused the offer of settlement.<sup>24</sup> He remained assured, however, that

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<sup>22</sup>Hurley to Secretary of State, January 31, 1945, Hurley Papers.

<sup>23</sup>Ibid. See also Hurley to President, November 16, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 698-700. See also "First Counterdraft," by Chinese Government Representatives, November 15, 1944, Foreign Relations: 1944, VI, 697-8.

<sup>24</sup>Hurley wrote Mao expressing his gratitude to the Chairman for his "splendid cooperation." See Hurley to Mao, November 11, 1944, Foreign Relations: 1944, VI, 689-90. Later, Hurley would state that while he was trying to work out a basis of settlement along the lines of the Yen-an proposal, he received a cable from Mao which included four new points. According to Hurley, these new points nullified any chance of agreement. See "Life Statement," January 1, 1945. However, the four points to which he referred were not

Chiang was anxious for a settlement with the "so-called Communists," and he appealed to the Generalissimo to formulate terms which would bring unity without giving the appearance of defeat to any of the main factions.<sup>25</sup>

Although the first round in the battle for unity in China had been lost, Hurley remained confident. His new position as ambassador further bolstered his optimism.

Under Hurley's prodding, the Nationalists began to discuss terms for an agreement. After much debate, the Nationalist government drew up a counter-proposal, laying down their conditions for an agreement with the Communists. This proposal was presented to Chou En-lai on November 22. In summary, it stated that: (1) The National Government agreed to incorporate, after reorganization, the Chinese Communist Forces into the National Army, who would then receive equal treatment in regard to supplies and pay; and to give recognition to the Chinese Communist Party as a legal party; (2) the Communist Party would give full support to the National Government in the war and post-war reconstruction and give control of all their troops to the National Government through the National Military Council, which would

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presented until December 28, 1944. See additional Communist Proposals, Chou to Hurley, December 28, 1944, Hurley Papers.

<sup>25</sup>Hurley to President, November 16, 1944, Hurley Papers.

contain some high-ranking officers from the Communist forces; and (3) the aim of the National Government to which the Communist Party subscribed was to carry out the Three People's Principles of Sun Yat-sen.<sup>26</sup>

These two sets of proposals by the Nationalists and the Communists showed the wide chasm which separated the parties in their approach to unification. The Communists demanded substantial, immediate participation in the government and equal status of their troops with the national army; they also refused to recognize Chiang and the Kuomintang as constituting the government of China. The Nationalists rejected the idea of coalition. Instead, they offered to receive the Communist armies into their army and to treat them in the same way as other government forces. They were also willing to allow the Communist party to function legally within the constraints to which all parties in China were then subject.<sup>27</sup>

Hurley was not dejected by these opposing views, and he felt that a basis for negotiations had been established. He tried to persuade Chou En-lai that it would be advisable for the Communists to accept the proposals and begin

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<sup>26</sup>Kuomintang Proposals (Counter-Proposals to "Communist" Proposals of November 10, 1944), Hurley Papers; cited as "Third Counterdraft by Chinese Government Representatives," November 21, 1944, Foreign Relations: 1944, VI, 706-7. See also Hurley to Secretary of State, January 31, 1945, Hurley Papers.

<sup>27</sup>Feis, 217.

cooperation with the Kuomintang. On November 29, the ambassador wrote Roosevelt and informed him that Chou was still in Chungking and that the Communists and Nationalists were close to settlement.<sup>28</sup> Chou rejected the proposals, though, as unsatisfactory and insisted upon returning to Yen-an without further discussion. From there, he wrote Hurley on December 8 that the refusal by the Nationalist government of the Communist five-point proposal precluded the possibility of his returning to Chungking for further negotiations. The Communists found it impossible "to find any fundamental common basis in these two proposals."<sup>29</sup> They completely desired, however, "to continue to discuss . . . the concrete problem of our future military cooperation and continue the closest contact with the U.S. Army Observers Section in Yen-an."<sup>30</sup>

Hurley replied to Chou, urging the Communists to reconsider their position and leave the door open for further discussion.<sup>31</sup> He also attempted to apply pressure on Chiang as he felt that the offer of the Communists had not been treated with "due consideration." His discussions with the

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<sup>28</sup>Hurley to President, November 29, 1944, Hurley Papers.

<sup>29</sup>Chou to Hurley, December 8, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 723-4.

<sup>30</sup>Ibid.

<sup>31</sup>Hurley to Chou, December 11, 1944, Hurley Papers.

Generalissimo persuaded him that Chiang was in earnest concerning his desire to make a settlement with the Communists.<sup>32</sup> The Ambassador's confidence was thus naively reassured.

Chou replied to Hurley's message of December 11, however, that the Communists had never closed the door of negotiations but that the Kuomintang rejection of the Communist proposal had caused a deadlock which rendered his return to Chungking "useless."<sup>33</sup> Despite this rebuff, the Ambassador again corresponded with Mao and Chou indicating his sincere hope that Chou would come to Chungking. He stated that the Nationalist government was anxious to continue negotiations and the "chances of success along the general lines of your proposals, I believe, are better than ever."<sup>34</sup> Hurley was undaunted and still anticipated a solution to the controversy.

Despite further correspondence between the Communists and Hurley, Chou indicated to the Ambassador on December 28 that the Communists were not willing to continue abstract

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<sup>32</sup>Hurley to President, December 12, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 733-4.

<sup>33</sup>Chou to Hurley, December 16, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 739-740.

<sup>34</sup>Hurley to Mao and Chou, December 21, 1944, Hurley Papers.



discussion. They wanted further concessions as proof of the Kuomintang's sincerity in establishing a unified, democratic government. They wanted the Nationalist government voluntarily to release all political prisoners; withdraw the Kuomintang forces surrounding the border region and attacking the New Front Army and the South China anti-Japanese column; abolish all repressive regulations restricting freedom of the people; and stop all secret police activity.<sup>35</sup> The Nationalists, not surprisingly, refused these conditions on the basis that their acceptance would have removed all barriers to revolutionary activity.<sup>36</sup>

Although severely jolted by these developments and fearing they might end negotiations, Hurley continued his efforts. In January, he wrote Mao explaining the latest Kuomintang offer. If the Communists agreed to resume negotiations, the Nationalists were willing to make some concessions.<sup>37</sup> Mao's answer was, in effect, refusal. He felt

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<sup>35</sup>Chou to Hurley, December 28, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 755.

<sup>36</sup>"Autobiography," IV, 11, Hurley Papers.

<sup>37</sup>They were prepared to offer: (1) the formation of a war cabinet with inclusion of Communists and other non-Kuomintang representatives; (2) the establishment of a committee of three, composed of representatives of the Nationalist government, the Communist Party, and an American army officer, to work out details for incorporating the Communist troops into the National army; (3) a command of the Communist troops to an American officer; and recognition of the Communist Party as a legal political party. Hurley to Mao, January 7, 1945, Hurley Papers.

that reopening negotiations with the Kuomintang would accomplish nothing because the Nationalists were not sincere. Instead, Mao suggested a public conference with delegates from a number of groups, including the Kuomintang and the Communist Party, all possessing equal standing.<sup>38</sup>

Mao's reply was a bitter blow to Hurley. Extremely egotistical, he could not accept the fact that he might have been wrong in his optimistic evaluation of the negotiations or in his opinion of the basic objectives of the Communists and Nationalists. Since there had to be some other reason for his present failure, he began to search for a scapegoat thereby removing the onus from his shoulders.

The Ambassador's poor relationship with the professional soldiers and diplomats, especially the latter, provided his suspicious mind and fertile imagination with many likely targets. Developments of the past few months had already heightened his basic distrust of these men. Another crucial factor was the change of emphasis in the aims of his assignment which had occurred in Hurley's mind. Support of the Nationalist government and Chiang Kai-shek had now become of paramount importance to him.

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<sup>38</sup>Mao suggested that this conference lay the groundwork for a National Affairs Conference and indicated that if these proposals were agreed to in advance, Chou would be sent to Chungking to continue negotiations. See Mao to Hurley, January 11, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 168-9.

## CHAPTER IV

### THE BEGINNING OF CONFLICT

These shifts in Hurley's attitude became apparent when a new Secretary of State came into office. By autumn, 1944, Secretary Cordell Hull was seriously ill, and at the end of November, he resigned. Under-Secretary of State Edward T. Stettinius was selected for the post, primarily because Roosevelt wanted someone who would work harmoniously with him. The President made clear that he would continue to be the formulator of policy. The new Secretary accepted his position as one of primarily implementing decisions and serving as messenger between the Department and Roosevelt and United States representatives abroad.<sup>1</sup>

Stettinius' appointment, aided by his friendship with Hurley,<sup>2</sup> gave the State Department an opportunity to

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<sup>1</sup>Walter Johnson, "Edward R. Stettinius, Jr." in An Uncertain Tradition: American Secretaries of State in the Twentieth Century (New York, 1961), edited by Norman Grachner, 215. Feis asserts that this was correctly taken to indicate that the President and Hopkins would direct foreign policy even more than they had in the past. See Feis, 209.

<sup>2</sup>The Ambassador and the new Secretary were on a first name basis. See John S. Service, The Amerasia Papers: Some Problems in the History of US-China Relations, China Research Monograph No. 7 (Berkeley, University of California, 1971), 100.

learn more about the Ambassador's activities. Hurley had totally ignored the Department since his appointment as Ambassador and reported only sporadically to the President.<sup>3</sup> When Hurley, who had hoped to come to Washington in December for a brief visit, wrote Stettinius to explain that he had decided he could not leave China at that time but added that he was anxious to report to the Secretary, the President, and the War Department,<sup>4</sup> the State Department made a prompt reply in the Secretary's name. Expressing regret that the Ambassador was unable to come, but concurring with his decision, the message asked Hurley to prepare a "strictly confidential summary" on the situation in China.<sup>5</sup>

The Ambassador responded by sending the Department its first report from him which provided evidence that the priorities he gave his assignment had changed. It was his understanding that the policy of the United States in China was:

1. to prevent the collapse of the National Government;

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<sup>3</sup>See Acheson to Secretary of State, December 7, 1945, Foreign Relations: 1945, VII, 733-4. See also Service, 100.

<sup>4</sup>Hurley to Secretary of State, December 17, 1944, Foreign Relations: 1944, VI, 210. When Hurley originally decided on the trip, he requested special travel arrangements, but by the time the plane arrived for him, he had decided not to go to the United States. See Service, 100.

<sup>5</sup>Stettinius to Hurley, December 20, 1944, Foreign Relations: 1944, VI, 744.

2. to sustain Chiang Kai-shek as President of the Republic and Generalissimo of the Armies;
3. to harmonize relations between the Generalissimo and the American commander;
4. to promote production of war supplies in China and prevent economic collapse;
5. to unify all the military forces of China for the purpose of defeating Japan.<sup>6</sup>

The remainder of Hurley's message to Stettinius was also revealing. A smug and laudatory analysis of his own efforts, it claimed that any problems or failures that existed were to be blamed upon others. His view of the Communist-Nationalist controversy was at that time still optimistic. He included a description of his negotiations with the two groups, noting all the proposals and counter-proposals. Chiang was very cooperative, and now that he was convinced, as a result of Hurley's strenuous efforts, that Russia did not recognize or aid the Chinese Communist Party, he was anxious that the military forces be united against Japan. The Communists desired this also.<sup>7</sup> The Ambassador had also "persuaded Chiang Kai-shek and others in the National government to make liberal political concessions to the Communist Party and to give them adequate representation in

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<sup>6</sup>Hurley to Secretary of State, December 4, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 745.

<sup>7</sup>Hurley to Secretary of State, December 24, 1944, Hurley Papers.

the National Government."<sup>8</sup> The Kuomintang was merely trying to avoid the use of the word coalition as they did not want to admit that they had formed a coalition. On the other hand, the Communists had now acknowledged the leadership of Chiang and accepted nearly all of his principles. Few problems, therefore, still separated the two groups. Moreover, there was "very little difference, if any, between the avowed principles of the National Government, the Kuomintang and the avowed principles of the Chinese Communist Party."<sup>9</sup>

Despite this encouraging evidence that a solution could be arranged, the Ambassador asserted that there was opposition to the unification of China. He identified four groups: (a) diehards of the Kuomintang; (b) extremists among the Chinese Communists; (c) imperialistic foreign countries, such as Britain, France, Holland, Canada, and Australia, who thought that their national interests in Asia would be better served if China were divided against herself; and (d) some American military officials and diplomatic officers who believed that the present Chinese government will eventually collapse and that there can be no military or political unification under Chiang Kai-shek and his 'die-hard' supporters in the Kuomintang. This group expressed the opinion

1. that the Generalissimo had made a deal with Japan;

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<sup>8</sup>Ibid.

<sup>9</sup>Ibid.

2. that without such a deal his government would collapse;
3. that the Communists should not unite with the National government;
4. that the Communists should not permit their troops to be united with the Chinese Army; and
5. that the United States should deal with the Communist party and not with the National government.<sup>10</sup>

Hurley concluded that he had not been impressed by any of these arguments by the various opponents of a unified China, but "I am enumerating them here so that you may have them definitely before you and give them what weight you think they deserve."<sup>11</sup>

Although not totally unaware of the Ambassador's attitudes, the Department must have been somewhat surprised by his message. Vincent prepared a memorandum for Stettinius which indicated not only that the Department and Hurley viewed America's China policy somewhat differently but that the Department had doubts about the Ambassador's general interpretation of the Chinese situation. Although Vincent agreed that Hurley's outline of his directives were basically sound, his emphasis upon preventing the collapse of the

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<sup>10</sup>Ibid.

<sup>11</sup>Ibid. See also Hurley to Stettinius, December 6, 1944, Hurley Papers, as he had indicated then that "We are all working well together. We have no conflicts now between the Army and the Embassy nor between either of them and the Chinese authorities. We are at last one team with one objective." Emphasis added.

National government and sustaining Chiang Kai-shek as President of the Republic and Generalissimo of the Armies was questioned. It was desirable "to maintain sufficient flexibility in our attitude toward the political scene in China to avoid embarrassment in the unlikely event that Chiang with his Government is ousted and to take immediate steps to support the elements most likely to carry on resistance."<sup>12</sup>

The Ambassador's statement that Russia was not supporting the Chinese Communist Party also needed qualification. Although direct material support "is not being given, the Communists do draw considerable indirect support from Russia and their attitude toward a settlement with the National Government could no doubt be influenced by Moscow."<sup>13</sup>

Concerning Hurley's view that agreement could be reached between the Nationalists and Communists the memorandum expressed pessimism: "The past attitude and performances of Chiang do not encourage optimism."<sup>14</sup> Moreover, the differences between the two groups were fundamental. While Chiang was willing to grant Communist representation only if it had no controlling or directing influence, the Communists wanted

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<sup>12</sup>Memorandum by Vincent to Secretary of State, December 26, 1944, Foreign Relations: 1944, VI, 750.

<sup>13</sup>Ibid.

<sup>14</sup>Ibid.



a coalition government in which they would have an equal say.<sup>15</sup>

The State Department also believed that the Ambassador's opinion that there was opposition to Chinese unity was based on misunderstanding. The so-called "imperialist" nations were only cynical about the possible future of China. And, the opposition to unity by some American military and diplomatic officers,

reduces itself simply to an expression of belief that the Chinese Government is doomed to collapse and that therefore the American Government should be prepared to deal with the Chinese Communists, the only strong political element in the country. This point of view is not shared by the Ambassador but in our thinking and planning with regard to relations with China, further disintegration of Chungking's authority is a contingency which must be taken into account.<sup>16</sup>

Wanting to establish a good working relationship with Hurley, the State Department hesitated to inform the Ambassador of its evaluation<sup>17</sup> and decided to send an innocuous message instead. Always anxious to cultivate support,<sup>18</sup> Stettinius was in complete agreement with this decision. Hurley received a message, therefore, from the Secretary declaring that the Ambassador's "analysis of the

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<sup>15</sup>Ibid., 750-1.

<sup>16</sup>Ibid., 751.

<sup>17</sup>Vincent's memorandum was included in a group of papers sent to the Embassy on February 8, 1945, but which the Ambassador apparently did not read. See Chapter V, 116-21.

<sup>18</sup>Feis, 209.

situation strikes me as sound."<sup>19</sup> In light of this telegram, as well as the fact that Roosevelt, who had also been sent a copy of Hurley's message, had made no comment, the Ambassador was convinced that his understanding of American policy was correct and reassured that his comments about his opposition in China had been sympathetically received.

The concern which Hurley had expressed in his message about both the imperialists and pro-Communist elements among the Foreign Service Officers was not new. It, in reality, could be traced back to Hurley's first mission to the Middle East and his troubles there. And, almost from the beginning of his mission to China, and more noticeably after he became Ambassador, Hurley's suspicions had been aroused about similar problems in China.

The Ambassador's mistrust had been initially and primarily directed toward the "imperialist" nations. Roosevelt tended to share Hurley's views of imperialism, and he had requested that the Ambassador keep him informed on the activities of the British, French, and Dutch missions in Southeast Asia.<sup>20</sup> Hurley's investigations of the aims of these countries had confirmed his suspicions. He replied to

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<sup>19</sup>Stettinius to Hurley, January 2, 1945, Hurley Papers; also in Foreign Relations: 1944, VI, 215.

<sup>20</sup>Roosevelt to Hurley, November 16, 1944, Military Situation, IV, 2889.

Roosevelt that these nations were "bound together by a vital common interest, namely, repossession of their colonial empires and reestablishment therein of imperial governments."<sup>21</sup> The passage of time would not alter Hurley's opinion of these countries.

The Ambassador had also gradually begun to suspect some of the American officials of being disloyal to United States policy. These suspicions were based on his old mistrust of professional diplomats as well as soldiers and on the ill-feeling that had existed almost from the beginning of his China mission. There were numerous reasons for this discord, many of which were based on professional rivalry as well as personal incompatibility.

The initial resentment of the Embassy and military staffs had been heightened rather than alleviated by the passage of time. By now, they also felt that Hurley was primarily responsible for Stilwell's recall and indirectly for Gauss' resignation.<sup>22</sup> Both Gauss and Stilwell were greatly respected as competent, selfless professionals who had been doing their jobs well. It is not surprising, therefore, that most of the personnel in China disliked working

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<sup>21</sup>Hurley to Roosevelt, November 26, 1944, Military Situation, IV, 2889.

<sup>22</sup>Vincent to Grew, November 4, 1944, Foreign Relations: 1944, VI, 189-90.

under Hurley.

The Ambassador's temperament added to the problem. A vainglorious, irascible person, he brooked no opposition, and sometimes his outward facade of dignity was shattered by livid, profane outbursts of temper. He was in charge, and he expected obedience. The freedom and respect which had characterized both Gauss and Stilwell's relationship with subordinates was regarded as laxity by Hurley. Once he became Ambassador, he set out to change this and bring, at least as he viewed it, discipline and order to the Embassy and to its liaison activities with the United States missions in China.

The Embassy which Hurley inherited was an efficient and well-staffed one. Its personnel were extremely able young career diplomats who had been selected and trained for their ability. Although a stern taskmaster, Gauss had given his staff considerable leeway in carrying out their responsibilities. Hurley treated them, however, as undesirable hangovers from a previous regime.<sup>23</sup> These views and his forceful and restrictive tactics soon completed the alienation of the staff.

Hurley's lack of understanding of China would also ultimately add fuel to the smoldering indignation of the Embassy. Initially, his ignorance and his difficulties with

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<sup>23</sup>White and Jacoby, 248. Later, he would even assert that the Embassy staff had been "disorganized, dirty, inefficient, and sulky." See "Life Statement," 62, Hurley Papers.

the Chinese language must have appeared humorous to the Foreign Service Officers. Hurley's mispronunciation of Mao's name as "Moose Dung" and his references to Chiang as Mr. Shek<sup>24</sup> undoubtedly provided these men, all proficient in Chinese, with repeated cause for laughter.

As time passed, what had been laughable became tragic. The efforts of the staff to inform the Ambassador were both resented and mistrusted. He seldom visited the Embassy, and although his memory was not infallible, he preferred to acquire his knowledge by having a group of trusted and favored junior officers, which ever dwindled in size, come to his home to read aloud documents and various reports to him.<sup>25</sup>

Also, as the Herculean nature of his task, combined with the turbulence of life in wartime Chungking, quickly melted Hurley's geniality, he became more bitter and ill-tempered. Incident after incident occurred which gradually alienated him from the rest of the China personnel.<sup>26</sup> For example, when Hurley became ambassador, it was assumed that he would immediately move into the Embassy house. He disliked it, however, and demanded a complete renovation and

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<sup>24</sup>Ibid., 246.

<sup>25</sup>Ibid., 247. See also "Davies Hearings," June 26, 1954, 26; Hurley's Prepared Statement, "Davies Hearings," 13, Hurley Papers.

<sup>26</sup>Tuchman, 513.

re-decoration, an almost impossible order because of wartime rationing. It was done, and he still delayed moving. The Ambassador was living with Wedemeyer when a violent quarrel with the General convinced Hurley that the time had come to move.<sup>27</sup>

Arriving at the Embassy, he found the career men, who had always shared the accommodations, residing there. Apparently Hurley regarded their presence as an affront, words were exchanged, and he gave the men twenty-four hours notice to find other quarters--in already over-crowded Chungking. Hurley then moved into the large residence to live in solitary splendor.<sup>28</sup> No matter what the exact circumstances, this episode must have left both the Ambassador and the Embassy Staff quite angry with one another. The passage of time resulted only in an intensification of these ill feelings.

The group with whom Hurley's relations grew most strained were the Foreign Service Officers holding a special position in China. They were attached to the American military headquarters which complicated an already confused

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<sup>27</sup>White and Jacoby, 247. These authors give no indication of the nature of the Hurley-Wedemeyer quarrel.

<sup>28</sup>Ibid. The Ambassador later denied any such incident had occurred and asserted that it was a falsehood perpetrated by the "so-called 'liberal press' and the key-hole columnists . . . ." See "Life Statement," 63, Hurley Papers.

heirarchy of authority. Considerable uncertainty always existed as to whom various officials were directly responsible, and this was especially true of these men. Their status was, of course, uncertain when General Stilwell left China.

Upon his recall Stilwell had requested the State Department not to detach immediately the Foreign Service Officers detailed to him.<sup>29</sup> Consequently, John Paton Davies, Jr. wrote to Wedemeyer on October 22 to ask if he had had an opportunity to reach a decision as to whether he wanted a continuation of the arrangement. Davies then explained that John Stewart Service was leaving the next day for the United States for consultations, Raymond Ludden was returning to the State Department after completing a lengthy field trip into forward Communist areas, and that John Emmerson and he were at Yen-an. Davies concluded his message by saying, "If you want to take over Service, Emmerson, and me on the same basis that General Stilwell had us, we shall of course serve

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<sup>29</sup>Gauss expressed the belief, with some irritation, that this was the result of Davies' wishes. See Gauss to Secretary of State, October 31, 1944, Foreign Relations: 1944, VI, 633. The State Department felt, and Gauss agreed, that the number of officers assigned to the military should be reduced. It was willing to permit Service to continue, if the Army so desired, but it wanted the rest of the officers reassigned. See Vincent to Chief of the Division of Foreign Service Personnel, November 3, 1944, Foreign Relations: 1944, VI, 187-8.

you as we did General Stilwell. If not, we shall revert to type."<sup>30</sup>

Wedemeyer decided to retain the services of these political observers, although there would later be some question concerning the circumstances of his decision. When the State Department requested the return of Service, Davies, and Emmerson in November, Stimson replied that although he realized the State Department needed them, "General Wedemeyer indicates that it is his conviction that unless these officers are retained, military activities will be hampered."<sup>31</sup>

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<sup>30</sup>Davies to Wedemeyer, October 22, 1944, Hurley Papers.

<sup>31</sup>Stimson to Acting Secretary of State, November 22, 1944, State Department, II, 1995-8. In 1951, Wedemeyer testified, though, that the Foreign Service Officers had been worried about their status. He had told them, consequently, that they could continue in his service. See U. S. Senate, Committee on the Judiciary, Institute of Pacific Relations, Hearings Before an Internal Security Subcommittee of the Committee on the Judiciary . . . To Investigate the Administration of . . . Internal Security . . . Laws . . . , United States Senate, 83rd Cong., 2nd sess., Parts 1014 (Washington, D.C., 1951-1952), II, 780; hereafter cited as Institute of Pacific Relations. On April 19, 1967, Wedemeyer answered the author's query for more information concerning this specific question: "Actually it didn't seem necessary for the Commanding General to have Foreign Service Officers as members of his staff. The China Theater was fraught with political and economic problems, all of which could and did affect directly and indirectly the military operations being conducted there. However, it was always possible for the Theater Commander to consult with the Ambassador about such matters . . . I wasn't particularly interested in continuing the Foreign Service Officers on my staff, and when Ambassador Hurley asked me if I would object to having those Foreign Service Officers on my staff returned to the Embassy, I stated emphatically 'No objection.'" In a letter to the author, dated April 17, 1967, Davies denied that any anxiety or pleas on



The Foreign Service Officers remained on assignment to Wedemeyer, but their position would never be the same under his command. Hurley's appointment as Ambassador would affect them even more.

Ambassador Gauss had not objected to the activities of these officers; in fact, his later testimony was highly complimentary of their work. Even with Gauss, though, apparently not all was idyllic. He had had a controversy with Davies over the question of who was to advise Washington on foreign policy, and he had restricted the Foreign Service Officer's access to Embassy files.<sup>32</sup> Except for this restriction, however, Gauss neither attempted to control their activities nor to assume responsibility for them. He thought they were doing significant work, and in the main he agreed with their opinions.<sup>33</sup>

The views of these men had attracted considerable attention, and it was not long after Hurley's arrival that he

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behalf of the Foreign Service Officers concerning their status had inspired Wedemeyer's decision.

<sup>32</sup>Feis, 258. Davies in a letter to the author, dated April 17, 1967, stated, however, that he could not recall such a controversy. Davies did remember, though, "being given to understand directly from Gauss and indirectly from others, that he did not like the arrangement that detailed me out from under his authority, especially as it related to political reporting." Tuchman explains that Gauss "resented the robbing of his best staff by Stilwell's headquarters." See Tuchman, 503.

<sup>33</sup>Feis, 258.

became aware of the officers and their work. Not surprisingly, he also soon became disturbed about their activities. The story, though, is still not completely clear, for as time passed, Hurley attributed unusual significance to events which had been regarded as commonplace when they occurred. What had been a mere question of authority and professional rivalry gradually became a policy debate with overtones of disloyalty. The evolutionary process in Hurley's mind was completed when political aspects came to dominate.

Hurley's personal relations with the Foreign Service Officers was virtually nonexistent. His China Diary recorded only one meeting or conversation with Service, in October, 1944, and less than twelve with Davies, most of them in December of that year. He mentions these meetings only briefly and indicated no hint of controversy.<sup>34</sup> Initially, Roosevelt's emissary must have had some respect for at least Davies as he requested the officer to keep alert to any policies by the European nations which might indicate imperialist tendencies, and Davies did provide him some information on this topic. Hurley's hostility apparently first developed toward both these men as a result of their reports.

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<sup>34</sup>Both Hurley and Davies testified, with conflicting viewpoints, in 1954 about a serious confrontation between them during December, 1944. See "Davies Hearings," June 28, 1954, 4-5, Hurley Papers and Chapter XVI, 608-9, 621-2.

Exactly how soon after his arrival in China Hurley became aware of them is not known, but it was probably not immediately for he was occupied with the Stilwell-Chiang controversy.

Once his attention was drawn to the reports, Hurley was immediately struck by their harsh criticism of Chiang and the Nationalist government, their favorable assessment of the Communists, and their recommendation that the United States should probably prepare itself to abandon Chiang. Although Service and Davies were critical of the Nationalist government, they hoped that their remonstrations would help jostle the Chinese out of their complacency, support the suppressed forces of liberalism, and impel the Kuomintang toward the necessary reforms and a more active participation in the war.<sup>35</sup> These men were also aware of two other key factors which they felt needed to be expressed to their superiors. One was their awareness of the Russian threat in the Far East. The other factor was their favorable impression of the Chinese Communists and their obvious growing strength. Believing it was their responsibility to report on what they saw and how they interpreted it, so that the United States could be kept alert to the changing

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<sup>35</sup>John Stewart Service, "Chinese Attitude Toward Foreign Criticism," May 29, 1944, in Folder 125, 2, Stilwell Papers.

situation and fit its policy accordingly, Davies and Service wrote numerous reports on these particular topics. Perhaps even more important than the content of these reports to the Ambassador was his apparent lack of control over their authors. Their memoranda, with the exception of those few on topics requested by Hurley, were prepared for their immediate superior, the American Commander in China. They were circulated widely both in China and the United States, and although the Embassy received copies as a regular procedure, they were not distributed under Hurley's orders. He resented this, as he resented any infringement on his authority.<sup>36</sup>

Hurley's awareness of these reports and their authors came at a time when his interpretation of American policy was undergoing a shift and when his frustration at the stalemate in the Communist-Nationalist negotiations was at a peak. Highly frustrated, and possibly confused, he became increasingly convinced that the differing opinions expressed by these Foreign Service Officers was evidence that the men were not only disobeying American policy but

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<sup>36</sup>He would later testify that these Foreign Service Officers were circumventing his authority and that he never received copies of their reports. Even more significantly, he would charge that the reports were circulated among the Communists. See "Davies Hearings," June 26, 1954, 23 and June 28, 1954, 59-62, 70-1, Hurley Papers and Chapter XVI, 601, 603-4.

were perhaps undermining his efforts to gain unity in China. It is not surprising, therefore, that these reports brought a violent reaction from Hurley.

The Ambassador's anger was first directed against Davies (Service was in the United States at that time).<sup>37</sup> A series of reports written in November and December of 1944 by the Foreign Service Officer were interpreted by Hurley as criticism of American policy and, more especially, of himself. By this time, any reproof of the Nationalist government was taken as censure of United States policy and any questioning of the progress of Hurley's mission was disapproval of him.

Two reports, written on November 7, discussed the Chinese Communists. One entitled "How Red are the Chinese Communists?", asserted that they were "backsliders," because the leaders had "become indulgent of human frailty and confess that China's communist salvation can be attained only through prolonged evolutionary rather than immediate revolutionary conversion . . . ." <sup>38</sup> Despite their tendency toward moderation, Davies concluded that the Chinese Communist's "willingness to make concessions must not be confused with

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<sup>37</sup> Stilwell ordered Service's return to Washington to present the case for opening relations with the Communists. See Tuchman, 503.

<sup>38</sup> John Paton Davies, Jr., "How Red are the Chinese Communists?", November 7, 1944, Institute of Pacific Relations, 13, 4827; also in Foreign Relations: 1944, VI, 669-70.

softness or decay. The Communists are the toughest, best organized and disciplined group in China."<sup>39</sup>

The second report, entitled "Will the Communists Take Over China?", analyzed the strength of the Communist movement. Pointing out that the Communists not only had survived ten years of civil war and seven years of Japanese offensives but had grown stronger, he stated that the "Chinese Communists are so strong between the Great Wall and the Yangtze that they can now look forward to the postwar control of at least North China."<sup>40</sup> The reason for this "phenomenal vitality and strength" was simple and fundamental; it was "mass support, mass participation."<sup>41</sup> The Communist government and armies were the first in modern Chinese history to have positive and widespread popular support because they were "genuinely of the people."<sup>42</sup>

Although Chiang would probably not be able to crush the Communists unless he was "able to enlist foreign intervention on a scale equal to the Japanese invasion of China . . . ,"<sup>43</sup> which was highly unlikely, Davies feared that

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<sup>39</sup>Ibid.

<sup>40</sup>John Paton Davies, Jr., "Will the Communists Take Over China?" November 7, 1944, Relations with China, 566; also in Foreign Relations: 1944, VI, 670-1.

<sup>41</sup>Ibid., 567.

<sup>42</sup>Ibid.

<sup>43</sup>Ibid., 573.

Chiang, relying "upon his dispirited shambling legions, his decadent corrupt bureaucracy, his sterile political moralisms, and such nervous foreign support as he can muster . . . ,"<sup>44</sup> might plunge China into civil war. The Generalissimo would not succeed in such a civil war, however, because the Communists were "already too strong for him."<sup>45</sup> In Davies' opinion, the civil war would "probably end in a mutually exhausted stalemate. China would be divided into at least two with Chiang reduced to the position of a regional warlord."<sup>46</sup> Furthermore, the "possibility should not be overlooked of the Communists--certainly if they receive foreign aid--emerging from a civil war swiftly and decisively victorious, in control of all China."<sup>47</sup>

If Chiang did avoid war and accept the compromise proposal of a democratic coalition government in which the Communists would participate, "the Communists may be expected to continue effective control over the areas which they now hold. They will also probably extend their political influence throughout the rest of the country, for they are the only people possessing a program with positive appeal to the people."<sup>48</sup>

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<sup>44</sup>Ibid.

<sup>45</sup>Ibid.; Institute of Pacific Relations, 13, 4328.

<sup>46</sup>Ibid.

<sup>47</sup>Ibid.

<sup>48</sup>Ibid.

Even if the Generalissimo escaped the above two roads to defeat, he was still confronted with the demise of his rule for Chiang's "feudal China can not long co-exist alongside a modern dynamic popular government in North China."<sup>49</sup> Consequently, the Communists were "in China to stay. And China's destiny is not Chiang's but theirs."<sup>50</sup>

Despite Davies' well-conceived analysis of the strengths of the Chinese Communists as well as the weaknesses of the Nationalists, he wrote on November 15 that the United States should not abandon Chiang Kai-shek as yet, for to do so "at this juncture would be to lose more than we could gain."<sup>51</sup> The United States was, however, to be realistic and "not indefinitely underwrite a politically bankrupt regime."<sup>52</sup> Indicating his growing concern over Russian intentions in Asia, Davies then asserted that if the Soviet Union was going to enter the Pacific War, America "must make a determined effort to capture politically the Chinese Communists rather than allow them to go by default wholly to the Russians."<sup>53</sup>

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<sup>49</sup>Ibid.; Relations with China, 573.

<sup>50</sup>Ibid.

<sup>51</sup>John Paton Davies, Jr., "American Chinese Relations During the Next Six Months," November 15, 1944, Foreign Relations: 1944, VI, 695.

<sup>52</sup>Ibid., 696.

<sup>53</sup>Ibid.



Furthermore, he wanted the United States to understand that "by reason of our recognition of the Chiang Kai-shek Government as now constituted we are committed to a steadily decaying regime and severely restricted in working out militarily and politically cooperation with the Chinese Communists."<sup>54</sup>

In analyzing the impasse, Davies discussed his opinion of the most satisfactory solution. He felt that a coalition government would be best, for it provided the "greatest assurance of a strong, united, democratic, independent and friendly China--our basic strategic aim in Asia and the Pacific,"<sup>55</sup> but if "Chiang and the Communists are irreconcilable, then we shall have to decide which faction we are going to support."<sup>56</sup> In deciding this, the diplomat stressed that the United States should keep in mind two basic considerations. Power in China was "on the verge of shifting from Chiang to the Communists."<sup>57</sup> Secondly, if the Russians entered North China and Manchuria, the United States "obviously cannot hope to win the Communists entirely over to us, but we can through control of supplies and post-war aid expect to exert considerable influence in the direction of Chinese nationalism and independence from Soviet control."<sup>58</sup>

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<sup>54</sup>Ibid.

<sup>56</sup>Ibid.

<sup>58</sup>Ibid., 697.

<sup>55</sup>Ibid.

<sup>57</sup>Ibid.

On December 9, 1944, Davies wrote another report, entitled, "The Generalissimo's Dilemma," which discussed in part the stalemate between the Nationalists and the Communists. He again pointed out that the Generalissimo would not, unless driven to an extremity, form a genuine coalition government for he realized "that if he accedes to the Communists' terms for a coalition government, they will sooner or later dispossess him and his Kuomintang of power."<sup>59</sup> The Communists, on their part, would only accept a genuine coalition government because they recognized "that Chiang's position is crumbling, that they may before long receive substantial Russian support and that if they have patience they will succeed to authority in at least North China . . . ."<sup>60</sup>

On December 12, a memorandum by Davies declared that the negotiations between the Nationalists and the Communists had failed. Although a new proposal might revive the negotiations, the Generalissimo would refuse to grant the United States permission to use the Chinese Communist forces and to exploit militarily the Communist position which extended into the geographical center of Japanese territory as long as the deadlock existed. With the war against Japan proving so

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<sup>59</sup>John Paton Davies, Jr., "The Generalissimo's Dilemma," December 9, 1944, Relations with China, 572.

<sup>60</sup>Ibid.

costly, the United States could "ill afford to continue denying ourselves positive assistance and strategically valuable positions."<sup>61</sup>

It was time, therefore, that "we unequivocally told Chiang Kai-shek that we will work with and, within our discretion, supply whatever Chinese forces we believe can contribute most to the war against Japan" and which do not show "any inclination toward precipitating civil conflict."<sup>62</sup> Davies concluded by asserting that the United States should also "make it clear to Chiang Kai-shek that we expect the Chinese to settle their own political differences; that we refuse to become further involved in and party to Chinese domestic political disputes."<sup>63</sup>

Hurley's fury must have mounted as he was informed of each of these reports. Davies' viewpoint that the Chinese Communists were "backsliders" was acceptable, since Hurley was of the same opinion, but the officer's other conclusions were reprehensible to the Ambassador. His attachment to Chiang was by now complete and criticism of the Nationalist government, or praise of the Communists, was taken as criticism of Hurley. Davies' statement that negotiations had failed was even more unforgiveable. It is not surprising,

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<sup>61</sup>John Paton Davies, Jr., "Proposed Statement of American Policy," December 12, 1944, Hurley Papers; also in Foreign Relations: 1944, VI, 735.

<sup>62</sup>Ibid.

<sup>63</sup>Ibid.

therefore, that an open break between these two men was close.

Although the exact circumstances of the break are not clear, it would apparently come after Davies indicated to Hurley his decision to leave China. The officer had asked for a transfer to Moscow at the time of Stilwell's recall, and the Hurley Papers contain the following note:

It is understood that Ambassador Harriman desires assignment of John Davies to his Embassy at Moscow. Davies inquired of General Wedemeyer whether the General would relinquish claim on him for his assignment. Wedemeyer has consented to release Davies for assignment to Moscow after return of John Service to his headquarters. He desires that Service return at earliest practicable date. Headquarters has informed War Department of foregoing.

On this the Ambassador had penciled, in his own handwriting, "John Davies gave this to Hurley on December 21st 1944 (sic) Hurley declined to send it (sic) H (sic)"<sup>64</sup>

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<sup>64</sup>Years afterward, Hurley testified that this note was probably the opening of the break between him and Davies. He also stated that he had declined to send the memorandum because he had not been advised that John Davies had been released and because he was "unwilling to send to Moscow . . . a man whom I was convinced was favorable to the Communist cause . . . ." See "Davies Hearings," June 28, 1954, 34-8, Hurley Papers and Chapter XVI, 608-9. Davies stated in letter to the author, dated April 17, 1967, however, that he had no memory of such a memorandum nor of Hurley's suppression of it, but "that immediately following the recall of Stilwell, I wrote to the Chief of the Division of Eastern European Affairs, State Department, telling him that I would like a transfer to Moscow. I wanted to learn in our Embassy there what I could of Soviet relations with the Chinese Communists and observe from Russia the intervention of Moscow in China . . . ."

Whatever the exact nature of the confrontation, Davies was well aware of how Hurley felt about him and his ideas. On one of the final reports he prepared before leaving China, Davies addressed, in his own handwriting, the following note to the Commanding General: "I classify the underlying paper unofficial because the views are my personal ones. In other words, I doubt the advisability of trying to make this an official commentary, as I do not believe that it would receive the official approval of the Ambassador. So this is a purely private commentary."<sup>65</sup>

Shortly after writing this note, though, Davies must have changed his mind and decided to send the memorandum to Hurley also. A letter addressed to the Ambassador, dated January 6, apparently included the report. The letter, which was very gracious, explained that he had been speculating for the past week on the topic of America's future in China and how Russian policy could affect this. As a result of this pondering and for his own edification he

decided to attempt an analysis of what opportunities the Chinese political scene offers the Soviet Union. The enclosed paper is the result of those unofficial musings.

You will probably not encounter any ideas in this paper which are new to you; in fact, you will come upon several of your own concepts which I gratefully acknowledge as having influenced my thinking. I hope

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<sup>65</sup>Note dated January 5, 1945, and attached to John Paton Davies' report "China and the Kremlin," January 4, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 155-7.

that you will feel that I am not unsound in attributing some of our diplomatic frustrations and policy defeats to the pressure, whether static or dynamic, of ponderous historical forces against which the efforts of any one individual, no matter how valiant and persisting, are ineffectual. I believe that it was those forces which defeated General Stilwell, insofar as he was defeated.<sup>66</sup>

Davies' final paragraph was a farewell message. He told the Ambassador: "Before leaving, I would like to thank you for your many kindnesses to me and to wish you success and happiness as Ambassador. Your success and happiness as Ambassador can be the success and happiness of the American people."<sup>67</sup>

Despite the demeanor with which Davies submitted this memorandum to Hurley, it is doubtful if the Ambassador approved its contents. The officer asserted the situation in China must have afforded the Kremlin a "certain sardonic satisfaction."<sup>68</sup> Not only could the Russians see the "anti-Soviet Government of Chiang Kai-shek decaying--militarily, politically and economically,"<sup>69</sup> they could "observe the Chinese Communists consolidating in North China, expanding southward in the wake of Chiang's military debacles and now

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<sup>66</sup>Davies to Hurley, January 6, 1945, Hurley Papers.

<sup>67</sup>Ibid.

<sup>68</sup>John Paton Davies, Jr., "China and the Kremlin," January 4, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 155-7.

<sup>69</sup>Ibid.

preparing for the formal establishment of a separatist administration."<sup>70</sup> The Soviet Union had also witnessed the

instructive frustration of American efforts to bring about by exhortation a Chiang-Communist agreement. If by our refusal now of military cooperation to the Communists the potentially pro-American and nationalist group at Yen-an has lost prestige and those doctrinaires favoring reliance upon the Soviet Union have been further strengthened, the Kremlin doubtless knows it.<sup>71</sup>

Consequently, it had no reason to regret its present hands-off policy as events seemed "gratuitously to have served the Kremlin well."<sup>72</sup>

It was also Davies' belief that before many months the situation in China might be ripe for Russian intervention. If the United States continued to aid the Nationalist government, it might attempt to reimpose its authority on North China, and in light of the Kuomintang's Russophobia, the Kremlin would consider intervention. While the Soviet Union was well aware that American policy was based on "the quickest possible defeat of Japan and a united, strong and independent China,"<sup>73</sup> it was also evident to the Kremlin that, at least for the immediate future, the United States seemed to be committed to

1. reliance upon only Central Government troops for the conduct of the war against Japan on the continent, and

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<sup>70</sup>Ibid.

<sup>72</sup>Ibid.

<sup>71</sup>Ibid.

<sup>73</sup>Ibid.

2. unconditional support of Chiang Kai-shek. Yet Chungking can contribute little, the Russians know, to hastening the defeat of Japan, not only because of its military anemia but also because of area of possible military operations under Chungking control lies outside of Japan's inner zone. And as for Chiang's being able to unite China, the Russians are scarcely likely to cherish illusions on that score.<sup>74</sup>

Despite this, it was, in Davies' opinion, difficult to believe that Russia did not recognize certain conditions in Communist China which America could exploit to its own advantage. They were:

1. The eagerness and capability of the Communists to cooperate with the United States in aggressive prosecution of the war against Japan.
2. The strategic position of Communist China extending deep into Japan's inner zone.
3. The present nationalistic feeling among the Communists which, with practical American encouragement, would probably become the dominant motivation of the Communists, but which with continuing American indifference to Yenan, will be superceded by a sense of persecution, isolation and dependence upon the Soviet Union.
4. The present moderate social and economic program of the Communists, the mass support which they command and their outstanding vitality, all of which mean that they are potentially the most modern and constructive unifying force in China.
5. The Communists' need of foreign capital for postwar reconstruction of North China and the inability of the Soviet Union to fill that need for some time after the war.<sup>75</sup>

There were a number of reasons, though, why Russia might well doubt that the United States would take advantage

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<sup>74</sup>Ibid.

<sup>75</sup>ibid.



of these favorable conditions:

The profound suspicion and hostility in the United States to the tag "Communist," the Kremlin probably knows, prejudices the American public against the Chinese Communists. Marshal Stalin must also be informed that, notwithstanding recent debunking, most Americans are attached to the fiction that only through Chiang Kai-shek can China in war and in peace realize its destiny. It is further evident that the necessary sensitivity in a democratic system of the administration to public opinion makes it unlikely that American policy can be anything other than avascillating (sic) compromise between realism and wishful thinking.<sup>76</sup>

It was difficult, consequently, to escape the conclusion that the United States was, in Russian eyes,

the victims of the insularity and international political immaturity of our people and of the unwieldy processes of democracy. By our unwillingness and inability to engage in real politik, the Kremlin may well believe, we stand to loss (sic) that which we seek--the quickest possible defeat of Japan and a united, strong and independent China. And the Soviet Union may stand to gain, if it chooses to seize the opportunity, a satellite North China. The Kremlin is not likely to be unaware of what is at stake in this situation--the future balance of power in Asia and (sic) the Western Pacific.<sup>77</sup>

The opinions expressed in this memorandum must have been the "last straw" to Hurley, who was already angry with Davies, and before the latter left China a violent altercation between the two men erupted. Both were at General Wedemeyer's residence when the Ambassador accused Davies of being disloyal to him, of being pro-Communist in his thinking, and of taking action and writing reports that had

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<sup>76</sup>Ibid.

<sup>77</sup>Ibid.

hindered Hurley in accomplishing his mission. The young officer defended his actions and stated categorically that he at no time had intended to be disloyal and that he had given an objective account of the prevailing conditions as he saw them. In the course of this acrimonious conversation, the Ambassador asserted that he was going to recommend that Davies be dishonorably discharged from the Foreign Service. According to Wedemeyer, Davies pleaded with Hurley to permit him to remain in the Service, and the Ambassador finally relented.<sup>78</sup>

The impact of this controversy did not end when the argument ended or even with Davies' departure from China for Moscow on January 26. Hurley's anger lingered, and he would ultimately bring charges against the Foreign Service Officer as he had threatened to do at that time. The encounter between the two men also left an immediate legacy on the situation in China. It not only strengthened the resentment and hostility which had been building in the other officers, it also gravely frightened them because of the influence which the Ambassador had upon their careers.

Even more unfortunately, this argument with Davies, and its outcome, apparently affected Hurley's actions. From

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<sup>78</sup>Wedemeyer Testimony, in Military Situation, VI, 2513. See also Albert C. Wedemeyer, Wedemeyer Reports (New York, 1958), 318-9. As time passed, Hurley embroidered upon his encounter. On one occasion, he testified that it had occurred after he had recommended that Davies be relieved from duty in China and the officer was about to leave for a new assignment in Iran. See "Davies Hearings," June 28, 1954, 37-9, Hurley Papers and Chapter XVI, 608.

this point on, he tended to reject all criticism of himself as efforts to sabotage his policy and suspected anyone who criticized Chiang and his government as being Communist or pro-Communist. As the stalemate between the Communists and Nationalists lengthened from days into weeks and hopes for reconciliation dimmed, Hurley became more unwilling to listen to any ideas or suggestions that did not agree with his position. He increasingly shut his mind to all advice. This not only further annoyed and worried the Foreign Service Officers but had the dangerous effect of forcing American policy into the inflexible mold of unqualified support for Chiang and his government.<sup>79</sup>

These developments soon became evident in the Ambassador's reports--those which were sent and even more clearly in those which were not. The unsent messages probably became Hurley's method of venting his spleen without incurring dangerous repercussions. It was not long, however, before the State Department, and even the President became aware that there were severe problems between the Ambassador and the Foreign Service Officers and, that there had been a hardening of Hurley's attitude towards United States policy in China.

Another example of the distrust which was building in Hurley's mind also occurred in January. Although directed toward the military, rather than the Foreign Service Officers,

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<sup>79</sup>Smith, 121-8.

who were his major target, it further intensified the Ambassador's apprehensions regarding the sympathies, and possibly loyalties, of his subordinates. This shift in attention to the professional soldiers resulted from a military plan which had been formulated by certain officers in Wedemeyer's command. Hurley believed that this proposal was the fundamental reason for the Communists' refusal to continue negotiations with the Nationalists, and he suspected sabotage.<sup>80</sup>

On January 14, the Ambassador wrote about his suspicions to the President, fearing that if he informed the State Department the information would leak. Hurley began the message by discussing the negotiations and explaining that he had overcome all opposition to unification, including "constant opposition from some of our own diplomatic and military officials,"<sup>81</sup> when suddenly the Communists had walked out. Hurley believed that he had now found the reason for this development.

It was a plan which he described as "an agreement between the United States and the Communist Party, by-passing

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<sup>80</sup>Later, he became convinced that there had been saboteurs in China, and he would make charges against Service. See "Davies Hearings," June 28, 1954, 8-9, Hurley Papers.

<sup>81</sup>Hurley to President, January 14, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 175.

completely the National Government of China, and furnishing American supplies directly to the Communist troops . . . ,"  
asserting that it would have destroyed for him any possibility of achieving his directives for it would have resulted in the destruction of the Nationalist government by the Communists, "an armed political party."<sup>82</sup> Even more serious, was the Ambassador's assertion that he had first learned that the plan had been made known to the Communists when they asked Wedemeyer to secure secret passage for Mao and Chou to Washington for a conference with the President. The Communists had asked that their proposed visit be kept secret from both the Nationalist government and Hurley,<sup>83</sup> which suggested to him that the Communists had some reason to

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<sup>82</sup>Ibid., 176. The plan was included in a memorandum of December 19, 1944, entitled, "Meeting with General Chen Cheng No. 1," Hurley Papers. The proposal does not seem too dangerous. Use of the Communist troops was limited and rigidly controlled. They were to be restricted to tasks of construction, building, transportation of supplies, observation and intelligence, and night raids under American command.

<sup>83</sup>Ibid. The so-called request for passage by Mao and Chou was mentioned in a message to Dickey from Evans, sent through Wedemeyer, on January 9. The message stated that in a strictly off the record conversation, it had been indicated that "Mao and Chou will be immediately available either singly or together for exploratory conference at Washington should President Roosevelt express desire to receive them at White House as leaders of a primary Chinese political party. They expressly desire that it be unknown repeat not known that they are willing to go to Washington in case Roosevelt invitation not now forthcoming. This is to protect their political vis a vis Chiang."

believe that they could secretly use the United States military establishment to bypass not only the Nationalist government and himself.<sup>84</sup> This is probably quite true, and it also revealed the growing lack of faith in the Ambassador by the Communists.

Hurley's message brought an immediate reaction from Washington. Wedemeyer was requested to make a complete investigation.<sup>85</sup> Acting Secretary of State Grew sent Hurley a cablegram informing him that "appropriate steps have been taken to explore the difficulties you have had with our own military subordinates."<sup>86</sup> The thorough investigation carried out by Wedemeyer revealed that such a plan had been evolved by General McClure. It had been discussed with Hurley as well as officials of the Nationalist government, and its use was predicated on the approval of the Generalissimo. He discovered, though, that one of his subordinates, Colonel David Barrett, on a trip to Yen-an in late December to carry a message for Hurley, had discussed the proposal during the course of the visit. Lt. Colonel Willis H. Bird, Deputy Chief of the Office of Strategic Services in China, had

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<sup>84</sup>Wedemeyer to Marshall, January 19, 1945, Hurley Papers.

<sup>85</sup>Marshall to Wedemeyer, January 15, 1945, Hurley Papers. A second message was sent from Marshall on January 22, 1945, when Wedemeyer's initial response did not satisfy him.

<sup>86</sup>Grew to Hurley, January 23, 1945, Hurley Papers.

accompanied Barrett, without Wedemeyer's knowledge, to "explore with the Communists (sic) military authorities the feasibility of using a special unit for operations in areas under the control of Communist forces."<sup>87</sup> Consequently, "after impressing upon the Communists that any statements made were not commitments and must be held in the utmost secrecy, . . . [Barrett] did discuss with the Communists (sic) military authorities the possible use of Uncle Sugar [United States] forces in Communists (sic) territory."<sup>88</sup>

Wedemeyer's message to Marshall relating this concluded by stating:

Needless to say I am extremely sorry that my people became involved in such a delicate situation. I do not believe that this instance is the main cause of the breakdown of negotiations but I am fully aware that unauthorized loose discussion by my officers employed in good faith by General Hurley could have strongly contributed to the latter's difficulties in bringing about a solution to the problem.

I have talked the matter over frankly with General Hurley and we are in agreement on the above statement of facts. We are as one in approaching problems in China. If we have differences of opinion, they will be honest ones and each will help the other loyally and completely.<sup>89</sup>

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<sup>87</sup>Wedemeyer, apparently to Colonel B. F. Taylor, Secretary to General Staff, January 27, 1945, Hurley Papers.

<sup>88</sup>Ibid. Wedemeyer apparently did not know, but the same day that Barrett discussed the plan, Bird entered into his own negotiations with the Communists on behalf of the Office of Strategic Services and reached a tentative agreement with them, subject to approval by the United States government.

<sup>89</sup>Ibid.

As a result of the inquiry, both McClure and Barrett were transferred from Chungking to field commands.<sup>90</sup> Wedemeyer also issued additional instructions to his men to prevent any similar problem in the future. From the beginning of his assignment, he had emphasized that his officers must support the Nationalist government and must not negotiate with or assist in any way other Chinese activities or persons not recognized or approved by the Generalissimo.<sup>91</sup> He now ordered that there was to be no discussion of aid, even hypothetical, to an "'unapproved political party, activity, or persons.'"<sup>92</sup> Hurley also recommended that all future requests, by groups antagonistic to the Nationalist government, for special consideration by the United States, "no matter how reasonable they may seem to be, be universally refused until or unless they receive the sanction of the National Government and of the American Government."<sup>93</sup>

The other long-range effects were more intangible. Although Hurley had decided not to pursue further the

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<sup>90</sup>Hurley to Secretary of State, February 7, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 205-212.

<sup>91</sup>Wedemeyer to Marshall, January 19, 1945, Hurley Papers.

<sup>92</sup>Romanus and Sunderland, Stilwell's Command Problems, 253-254.

<sup>93</sup>Hurley to Secretary of State, February 7, 1945, Hurley Papers.



military investigation feeling that it would "be better for us not (repeat not) to indulge in a slugging match between ourselves and that we should permit the incident to be closed."<sup>94</sup> His suspicions regarding the pro-Communist sympathies of the American personnel in China were heightened. On the other hand, the Ambassador felt reassured since he believed that his control over all United States agencies was stronger because of the outcome of the incident. Wedemeyer would become even more cautious in dealing with anything that tinged of the political.<sup>95</sup> The entire incident also undoubtedly added to the Chinese Communists' distrust of Hurley and increased their anxiety to learn what American intentions were toward them.<sup>96</sup>

Although the Chinese Communists also seemed to harden in their attitude toward the Nationalists during this period, Hurley managed to persuade the two sides to reopen negotiations. Chou En-lai returned to Chungking and talks began on

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<sup>94</sup>Ibid.

<sup>95</sup>McClure later recalled that this development ended the period of close operational contact between the embassy and theater headquarters. See Charles F. Romanus and Riley Sunderland, Time Runs Out (United States Army in World War II) (Washington, D.C., 1959), 253-54.

<sup>96</sup>Memorandum by Emmerson, January 13, 1945, Hurley Papers.

January 24, 1945.<sup>97</sup> Unfortunately, the Ambassador soon learned that neither side had let down its barriers. The Nationalists were still unwilling to grant a genuine coalition government, and the Communists remained unwilling to accept anything less. Both were afraid, though, to refuse unconditionally any offer because it could possibly result in the loss of American friendship.

The position of the Nationalist government, as announced by Dr. Wang Shih-chieh, Minister of Information, at the close of the second meeting, was almost identical to the offer they had made on January 7.<sup>98</sup> Chou, not surprisingly, rejected it pointing out that it merely represented concessions to be made by the Nationalists while they retained

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<sup>97</sup>On January 20, Hurley sent a letter to Mao stating that he was convinced that the Nationalist government was ready to make such important and concrete concessions as to make settlement really practical, and he mentioned the war cabinet proposal once again. The Ambassador also suggested that Chou come to Chungking to talk over matters. Mao replied that Chou would come on January 24. See Hurley to Secretary of State, January 24, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 184.

<sup>98</sup>The Nationalists were willing to establish an organ resembling a war cabinet, including Communist representation, to act as a policy-making body, appoint a committee consisting of an American army officer, one Chinese Army Officer, and one Chinese Communist army officer, to make recommendations regarding the reorganization and equipment of the Chinese Communist forces, and appoint an American army officer as the immediate commander of all the Chinese Communist troops. See Kuomintang Proposal, January 24, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 185-6.

control of the government.<sup>99</sup> On February 3, after much talk, a promised concession by Chiang (he finally offered to convoke a conference in May which was to begin preparations for drafting a constitution for China which would abolish the one-party rule), and some pressure applied by Hurley, a definite proposal was submitted by Wang and Chou. This proposition, which they hoped would be approved by both sides, was, in reality, an acceptance of what Chou had been advocating throughout the talks and which had again been recommended by the Communists in the note they sent to Hurley on January 11. The proposal agreed that "the National Government should invite the representatives of the Kuomintang and other parties, and some non-partisan leaders, to a consultative meeting . . . ."100

Chou told Hurley that "for the first time" he felt that a basis for cooperation was being reached and that he believed that his party would agree to the consultative

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<sup>99</sup>He further pointed out the Communists would submit command of its troops and join the Nationalist government only when control of the government had been turned over to a coalition administration. See Hurley to Secretary of State, February 18, 1945, Hurley Papers.

<sup>100</sup>Ibid. The function of the conference was to consider steps to be taken in ending the period of tutelage and establishing constitutional government; to discuss future political program and the unification of the armed forces; and to discuss the organization of the new government. See Wang-Chow Draft Agreement, February 3, 1945, Hurley Papers.

conference, but Chiang was not very enthusiastic regarding the proposal.<sup>101</sup> Although assenting to it, he felt that the Communists, whom he continued to distrust, had finally obtained what they wanted. Hurley attempted to reassure the Generalissimo, pointing out that any suggestions made at the conference had to be unanimous before the Nationalist government was bound to act.<sup>102</sup>

In addition to Chiang's lack of enthusiasm for the agreement, it had certain other shortcomings. It obligated neither party at the moment. It had not decided on the issues of how the conference was to be composed or how many of its members would be Nationalists, Communists, or independents. Furthermore, the proposal did not accomplish the immediate unification of the armed forces of China.<sup>103</sup>

Hurley, nevertheless, was optimistic. At least there would not be immediate, open civil war, and perhaps partial agreement now would bring complete reconciliation at a later time. Also encouraging was his belief that both the Communists and Nationalists seemed to be striving for the inauguration of a democratic government in China.<sup>104</sup> In the

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<sup>101</sup>Hurley to Secretary of State, February 18, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 226-9.

<sup>102</sup>Ibid. He also reminded Chiang that the only agreement in which the Communists had actually submitted control of their armed forces to the Nationalist government, the five-point proposal, had not been accepted by the Nationalists.

<sup>103</sup>Ibid.

<sup>104</sup>Ibid.

Ambassador's opinion:

(1) the Communists are not in fact Communists, they are striving for democratic principles and (2) the one party, one man personal government of the Kuomintang is not in fact fascist. It is striving for democratic principles. Both the Communists and the Kuomintang have a long way to go, but if we know the way, if we are clear minded, tolerant and patient, we can be helpful.<sup>105</sup>

Despite Hurley's optimism, one of the peripheral topics of discussion at the just completed round of talks must have had a further debilitating influence upon the Ambassador's relationship with the Communists. The question of representation for the upcoming organizational conference of the United Nations had been debated, and Hurley (or so he thought) had informed Chou that only the Nationalist government would participate. Whether Chou misunderstood Hurley or hoped to pressure the Ambassador into changing his mind and accepting Communist representation, a series of notes were exchanged between the two men. Hurley seemingly remained adamant in his opposition.<sup>106</sup>

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<sup>105</sup>Hurley to Secretary of State, February 7, 1945, Hurley Papers.

<sup>106</sup>Chou wrote the Ambassador asserting that the Communists were in complete agreement with his opinion that the delegation should consist of representatives of the Kuomintang, the Communist Party, and the Democratic Federation, but they further felt that the representatives of the Kuomintang should be limited to one-third. See Chou to Hurley, February 18, 1945, Hurley Papers. Hurley immediately replied that he assumed that he had made it clear that only the Nationalist government had been invited to participate and that Chiang, alone, would select the staff to accompany him. He further asserted that the conference was to be a conference

Roosevelt ultimately became involved in the matter and sent the Generalissimo a cable concerning it.<sup>107</sup> Pointing out to Chiang that he foresaw no disadvantages and perhaps advantages from including representatives of the Communist Party at the conference, his message was, in fact, a recommendation to do so.<sup>108</sup> The Generalissimo responded by appointing a delegation which included one member of the Chinese Communist party.<sup>109</sup>

Despite the outcome of the debate, Hurley's reputation with the Chinese Communists was further impaired. The Ambassador's rigid support of the Nationalist government left them with greater doubts concerning his role as mediator of their interests, and from this time forward, they would be more open in their criticism of Hurley.

At the same time that the Ambassador was losing favor

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of nations and the Communist Party was not a nation. See Hurley to Chou, February 19, 1945, Hurley Papers. While in the United States, the Ambassador received a second note from Chou which pointed out that both the English and American delegations were to have representatives from all important political parties. Furthermore, if the Kuomintang tried to monopolize the delegation, it would reveal that their intention was to split China. See Chou to Hurley, March 9, 1945, Hurley Papers.

<sup>107</sup>Hurley later claimed that he presented to the President the idea of a joint Chinese delegation as an opportunity to move the contending Chinese factions closer toward unification. See Lohbeck, 379.

<sup>108</sup>Roosevelt to Chiang, March 15, 1945, Hurley Papers.

<sup>109</sup>Chiang to President, undated, Hurley Papers.

with the Communists, his relationship with the State Department officials, both in China and the United States, was also worsening. In fact, this situation had been rapidly deteriorating during these events.

## CHAPTER V

### TENSION GROWS

Negotiations had resumed between the Communists and Nationalists and Hurley was optimistic regarding their outcome, but the "sabotage" affair had made a major impression upon him. He was determined to eliminate all future encroachment on his authority. Wedemeyer's tighter restrictions on his men, combined with the fact that the General had his full confidence, made the Ambassador fairly certain that his problem with the military had ended. He turned his attention once more to the professional diplomats, the group which had always been his primary concern.

John Paton Davies left China during this period and trouble from that source seemed at an end, but there were others Hurley distrusted. John Stewart Service now became the chief target of the Ambassador's suspicions. Service had been on leave in the United States since the last of October and was requested by Wedemeyer to return to China at the time of Davies' departure.<sup>1</sup> Almost immediately after his

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<sup>1</sup>Stimson to Secretary of State, January 5, 1945, State Department, II, 1996. See also Service Testimony, "Service Hearings," State Department, II, 1998.



arrival in Chungking on January 18, he was severely reprimanded by Hurley. The Ambassador's attention was aroused, as in the case of Davies, by the diplomat's reports, but when he had first become aware of them his quarry had already left China. Hurley had had to await Service's return, therefore, before bringing him into line.

Service's reporting centered on the same topics as Davies--analyses of the strengths of the Chinese Communists, their relations with Russia, and their ideological orientation; the weaknesses of the Kuomintang; and the necessity of the United States having a realistic and flexible policy towards China. Several reports considered the question of how democratic were the Chinese Communists. Service felt that not only their policies were democratic but their methods were also to a great extent.<sup>2</sup> The diplomat also seemed relatively convinced that the Communists had drawn away from Russian influence. On September 28, 1944, he stated:

Politically, any orientation which the Chinese Communists may once have had toward the Soviet Union seems to be a thing of the past. The Communists have worked to make their thinking and program realistically Chinese, and they are carrying out democratic policies

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<sup>2</sup>John Stewart Service, "The Development of Communist Control in the Guerilla Bases," September 10, 1944, State Department II, 2080-85 and September 8, 1944, State Department II, 2156. See also various Service reports in Foreign Relations: 1944, VI, 615-26.

which they expect the United States to approve and sympathetically support.<sup>3</sup>

Although Service believed that they were "at present sincere in seeking Chinese unity on the basis of American support,"<sup>4</sup> he terminated the report by pointing out that this did "not preclude their turning back toward Soviet Russia if they are forced to in order to survive an American supported Kuomintang attack."<sup>5</sup>

A number of these memoranda emphasized the growing weakness of the Nationalist government, as a contrast to the Chinese Communists, and urged the United States to be more flexible concerning the Kuomintang. One such report, written by Service on October 10, 1944, and entitled "The Need for Greater Realism in our Relations with Chiang Kai-shek," was the primary reason for Hurley's reprimand.

It had been written in Yenan for General Stilwell after rumors had been heard that feeling was growing among the Americans in Chungking that the United States simply had to support Chiang Kai-shek because if the Generalissimo collapsed, China would collapse. The officer had attached a most interesting statement to this memorandum when he sent it to Stilwell:

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<sup>3</sup>John Stewart Service, "The Orientation of the Chinese Communists Toward the Soviet Union and the United States," September 28, 1944, State Department, I, 1327.

<sup>4</sup>Ibid.

<sup>5</sup>Ibid.

You have allowed me, as a political officer attached to your staff, to express myself freely in the past regarding the situation in China as I have seen it. Although in Yen-an I am only a distant observer of recent developments in Chungking and Washington, I trust that you will permit the continued frankness which I have assumed in the attached memorandum regarding the stronger policy which I think it is now time for us to adopt toward Chiang Kai-shek and the Central Government.<sup>6</sup>

In the report, Service pointed out that American dealings with Chiang apparently continued "on the basis of the unrealistic assumption that he is China and that he is necessary to our cause. It is time, for the sake of the war, and also for our future interests in China, that we take a more realistic line."<sup>7</sup> He asserted that the Kuomintang was in a crisis and unwilling to submerge its selfish power-seeking in democratic unity. Because of this, dissatisfaction within China was growing rapidly--"The prestige of the Party was never lower, and Chiang is losing the respect he once enjoyed as a leader."<sup>8</sup> In these conditions, the Kuomintang was "dependent on American support for survival."<sup>9</sup> Chiang and the Kuomintang would stick to the United States because its victory was certain and it was their "only hope for continued power."<sup>10</sup> America, though, was in "no way

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<sup>6</sup>State Department, II, 1987.

<sup>7</sup>Ibid., 1988.

<sup>9</sup>Ibid.

<sup>8</sup>Ibid.

<sup>10</sup>Ibid.

dependent upon the Kuomintang."<sup>11</sup> Neither the Nationalist government nor any other Chinese regime, because of the sentiment of the people, could "refuse American forces the use of Chinese territory against the Japanese."<sup>12</sup> Furthermore, "any new government under any other than the present reactionary control will be more cooperative and better able to mobilize the country."<sup>13</sup>

The officer then cited a number of reasons why United States support of the Nationalist government was not only unnecessary but even an unfortunate influence on China. By "continued and exclusive support of the Kuomintang, we tend to prevent the reforms and democratic reorganization of the government which are essential for the revitalization of China's war effort . . . for encouraged by our support the Kuomintang will continue in its present course . . . ."<sup>14</sup> United States support of the Nationalist government for international political reasons was also unnecessary because the present government could only mean a weak and disunited China whereas the key to stability was a strong, united China. This could be accomplished only by a democratic government. Neither did the United States need to support Chiang

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<sup>11</sup>Ibid.

<sup>13</sup>Ibid.

<sup>12</sup>Ibid.

<sup>14</sup>Ibid.

in the belief that he represented pro-American or democratic groups. All the people and all the other political groups of importance in China were friendly to America and looked to it for salvation. In fact, "Chiang has lost the confidence and respect of most of the American-educated, democratically minded liberals and intellectuals . . ."15 because the present party ideology was "fundamentally anti-foreign and anti-democratic, both politically and economically."16 Finally, the United States should not feel indebted to Chiang. His men were corrupt and his dealings with the United States were opportunistic. The Generalissimo had sought to have the United States save him so that he could continue the conquest of his own country. He was, first of all, an Oriental--an adroit manipulator and shrewd bargainer, a man who mistook kindness for weakness.

In Service's opinion, American policy should be guided by two facts. The United States could not hope to solve China's problems without ending "the hollow pretense that China is unified and that we can talk only to Chiang."17 America was also not to be swayed by pleas of the danger of China's collapse. There might be a collapse "of the Kuomintang government; but it will not be the collapse of

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15 Ibid.

16 Ibid., 1989.

17 Ibid.

China's resistance."<sup>18</sup> If the Nationalist government did collapse, there might be a period of some confusion, "but the eventual gains of the Kuomintang's collapse will more than make up for this."<sup>19</sup> Consequently, the United States was to "plan on eventual use of the Communist armies and this cannot be purely on Kuomintang terms."<sup>20</sup>

If the above steps failed, the United States should use its strongest weapon--removal of the veil of secrecy from negotiations with Chiang. If he were shown to be obstructive and noncooperative, Chinese public opinion would swing violently against him. America was not to be misled by the few Kuomintang die-hards for they were not the people. In Service's opinion, the Nationalist government could not "withstand public belief that the United States was considering withdrawal of military support or recognition of the Kuomintang as the leader of Chinese resistance."<sup>21</sup> The officer concluded carefully: "more than ever, we hold all the aces in Chiang's poker game. It is time we started playing them."<sup>22</sup>

Of all the opinions expressed by the young officer in his reports, those which criticized Chiang and the Nationalist

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<sup>18</sup>Ibid.

<sup>19</sup>Ibid.

<sup>20</sup>Ibid.

<sup>21</sup>Ibid., 1990.

<sup>22</sup>Ibid. See Service's report, "The Situation in China and Suggestions Regarding American Policy," June 20, 1944, State Department, II, 2037, for similar opinions.

government and recommended that the United States either pressure the government into reforming itself or consider abandoning the regime were the most upsetting to Hurley. He regarded such statements as opposition to American policy. Even more of an anathema to the Ambassador than this criticism was the fact that Service was presuming to recommend policy. When Hurley called in the Foreign Service Officer in January, he criticized the October 10 memorandum and told Service that he was very much "off-base," and that in the future the Ambassador would do all policy recommendation. Service was to confine himself to reporting and if the officer tried to interfere with the Ambassador, Hurley would "break" him. The Ambassador also defined his directive as support for Chiang and the Nationalist government.<sup>23</sup>

In addition to bringing Service into line, the Ambassador conducted meetings with the representatives of all American agencies in China. He also continued to check on the military establishment by attending regular military conferences with Wedemeyer. At these sessions, which the Generalissimo frequented, Hurley set forward the position in no uncertain terms that American policy in China was to support militarily, politically, and economically only the Nationalist government of China and that all American agencies

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<sup>23</sup>Service Statement, "Service Hearings," May 26, 1950, State Department, II, 1973.

were obligated to prevent the collapse of this government. Although somewhat reassured by the results of these procedures, Hurley was still bitter about what he felt was opposition to his efforts to direct totally all American activities in China.

On January 31, he prepared a spiteful memorandum for Stettinius. Its mood indicated that he was alone in China, surrounded by either inefficiency or opposition. Hurley had included in his draft of this memorandum the statement that he had "no desire to make this a one-man job."<sup>24</sup> This observation was later crossed out, but it seems clear that the Ambassador believed himself to be single-handedly performing all duties in China. He discussed his numerous activities and pointed out that they made it impossible for him to edit his reports properly. No one could assist him in this task, for in his opinion, "we have no official personnel in the Embassy except myself, prepared to make either decisions or reports on the subject [the Communist-Nationalist negotiations] which I am covering."<sup>25</sup>

Hurley also complained that his activities and

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<sup>24</sup>Hurley to Stettinius, January 31, 1945, rough draft, Hurley Papers.

<sup>25</sup>Hurley to Secretary of State, January 31, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 192-97.



methods were being criticized. Some of the Embassy staff viewed his role in the negotiations as an "unusual and unjustified departure from State Department procedure."<sup>26</sup> There was also "honest opposition among some of our military and diplomatic representatives on the ground that the Communist armed party is stronger than the National army and we should deal directly with the Communists bypassing the National government."<sup>27</sup> In the Ambassador's opinion, this attitude was "based on erroneous and unsound premises."<sup>28</sup>

Following this description of the obstacles he faced, Hurley went into a lengthy discussion of the negotiations between the Communists and Nationalists. The opinions he expressed seemed to reveal more sympathies for the Nationalists than had been previously evident in his reports. The Ambassador stressed that in all his negotiations, he had "insisted that the United States will not repeat nor supply or otherwise aid the Chinese Communists as an armed political party or as an insurrection against the National Government" and that any aid to them "must go to that Party through the National Government of China."<sup>29</sup>

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<sup>26</sup>Ibid., 1; this was crossed out of the rough draft.

<sup>27</sup>Ibid., 9; diplomatic representatives was also crossed out.

<sup>28</sup>Ibid.

<sup>29</sup>Ibid.

Hurley apparently believed, though, that the Communists presented no threat. They did not "desire to obtain control of the National Government, until, if and when they achieve control through a political election."<sup>30</sup> The Communist Party only wanted representation for itself and other anti-Japanese political parties in China and in the policy-making agencies of the government and were willing "for the Kuomintang to still have a vast majority of the government offices."<sup>31</sup>

The State Department responded to Hurley's telegram immediately. Grew told the Ambassador that the Department had noted fully his comments about the staff and had discussed the situation carefully. It would communicate further with him on the subject in a few days.<sup>32</sup>

The Embassy staff was naturally upset by the criticism Hurley had made in his message, and four members of the staff, Arthur R. Ringwalt, Carl H. Boehringer, Fulton Freeman, and William E. Yuni cooperated with George Atcheson, Charge d'Affaires, in sending Hurley a memorandum concerning his telegram to the State Department. Although the staff was careful to praise the Ambassador for much of the information

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<sup>30</sup>Ibid.

<sup>31</sup>Ibid., 8.

<sup>32</sup>Grew to Hurley, February 1, 1945, Hurley Papers.

he had presented about the negotiations, it expressed the belief that many of his statements were "very damning to the staff. If I [George Atcheson] were in the Department I would imply from your comments that you feel that the staff is of little, if any, use and should be replaced. We hope that this is not the interpretation which you had in mind. But if it is we do not cavil about it; we feel that we are not in good position to offer comment."<sup>33</sup>

The Foreign Service Officers also questioned Hurley's statement that there was opposition among the diplomatic representatives to his efforts to achieve unity. In their opinion, there was "no one on the staff who believes we should by-pass the National Government in dealing with the Communists. From a recent conversation with Mr. Service (who is not substantively a member of the Embassy staff) I am convinced that he does not think we should by-pass the National Government in dealing with the Communists."<sup>34</sup> The memorandum continued that the Embassy personnel had not heard anyone

express an opinion that your conduct of the negotiations is an unusual and unjustified departure from State Department procedure. We do not believe that any member of the staff holds such opinion. There is no member of

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<sup>33</sup>George Atcheson to Hurley, January 31, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 190-1.

<sup>34</sup>Ibid.

the staff that I [George Atcheson] know of who has not wholeheartedly hoped for the success of your negotiations and the benefit to the war effort which will obviously result therefrom.<sup>35</sup>

These comments from the Foreign Service Officers and the Ambassador demonstrated that the estrangement between these two groups was on the verge of open warfare. The exchange also revealed that Hurley's hostility was no longer confined to just a handful of men and that his attitude was having a debilitating effect upon the morale of all American diplomatic personnel in China.

While the Ambassador was at odds with the staff, the State Department had been reviewing and evaluating America's China policy. On February 8, the Embassy in Chungking was sent several memoranda indicating "general lines of policy and thinking in the Department with regard to China and to matters affecting present and post-war international relations in the Far East."<sup>36</sup> Most of these papers had been prepared by the Department in January for the President for

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<sup>35</sup>Ibid.

<sup>36</sup>"Objectives and Policies of United States in China," February 8, 1945, Hurley Papers. There is some question about the actual recipient of these documents. The Hurley Papers indicate that they were sent to the "Officer in Charge of the American Mission in Chungking" rather than the "Ambassador," but Foreign Relations: 1945, VII, footnote 27, 169 states that they were "transmitted to the Ambassador in China by the Secretary of State in his instruction No. 33, February 8 . . . ." It is interesting to speculate whether the memoranda were specifically sent to Hurley, and if not, why not.

the forthcoming Yalta conference, and the views they expressed were in direct contrast to Hurley's understanding of American policy in China.

One of the papers discussed American policy and pointed out that a strong, stable, and united China with a government representative of the people's wishes was America's major long-range objective. While favoring no political factions, the United States would continue

to support the existing Government of China as the central authority recognized by the Chinese people and we look for the establishment within its framework of the unified and effective type of government that is needed.

Should these expectations fail of achievement and the authority of the existing government disintegrate, we would reexamine our position in the light of the manifested wishes of the Chinese people and regard sympathetically any government or movement which gave promise to achieving unity and of contributing to peace and security in eastern Asia.<sup>37</sup>

A paper on "Anglo-American-Soviet Policy" discussed the necessity of a strong, stable China and the threats to such an achievement. The Communist-Nationalist controversy as well as the weaknesses of the Kuomintang were regarded as

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<sup>37</sup>Ibid; also in U. S. Department of State, Foreign Relations of the United States: The Conferences at Malta and Yalta, 1945 (Washington, D.C., 1955), 356-8; hereafter cited as Foreign Relations: The Conferences at Malta and Yalta, 1945. Another statement asserted that the United States, although believing that China's territorial integrity should be respected, including her claims to Tibet and Outer Mongolia, would not oppose "any arrangements respecting those territories reached by process of amicable negotiation between China and other interested governments." Ibid. This was indicative of the Yalta Agreement which was in the process of being concluded by the time these reports reached China.

two major obstacles. Kuomintang China was

weakened by dissident elements and widespread popular discontent. The Chinese Communists are Communists, at least the leaders are. They are not agrarian democrats although they have had the wisdom--sadly denied the Kuomintang--of adopting measures of agrarian reform. Puppet China is filled with pockets of Communist guerilla resistance. A settlement between the Kuomintang and the Communists would not eliminate the fundamental struggle for power, one active phase of which would be competition to win over the puppet troops as Japan was driven from China. We can therefore anticipate that the struggle will continue into the period following hostilities. The only hope of preventing civil war and disunity will lie in the creation of a democratic framework within which the opposing groups can reconcile their differences on a political level.<sup>38</sup>

In addition to overcoming these internal divisive obstacles, British and Russian support for American policies was essential. Britain, it was believed, was primarily cynical, rather than opposed to United States plans, but the Soviet Union, while at present giving no support to the Chinese Communists, might be "strongly tempted to abandon its policy of non-interference," if she came into the war in the Far East or if an open break between the Kuomintang and the Communists occurred.<sup>39</sup>

Another memorandum looked at the political and military situation in the light of Russian intervention in the Asian war. Noting that Soviet entrance would place her in

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<sup>38</sup>Ibid. Although there are some minor variations in the wording, this apparently is the memorandum included in Foreign Relations: The Conferences at Malta and Yalta, 1945, 352-4.

<sup>39</sup>Ibid.

close proximity to the Chinese Communist armies, it was stressed that all internal difficulties, political or military, should be avoided if such operations were undertaken. Although the best prevention of internal conflict would be an agreement between the Nationalist government and the Communists, the report expressed doubt that such arrangement would be reached. An alternative solution would be over-all American command of Chinese troops under the Generalissimo. If neither of these two courses of action succeeded, it was recommended that there be no support to any policy

by the Chinese Government which might impede Russian military action against Japan. On the positive side, the two Governments should make every effort to bring about cooperation between all Chinese forces and the Russian military command in order to prevent military developments from further widening the gap between the Communists and the Chinese Government and increasing the possibility of a disunited China after hostilities.<sup>40</sup>

The effect of Japanese capture of Kunming, the educational center of Nationalist China, and Chungking, the political capital, upon the strength of the Nationalists versus that of the Communists was discussed in a report on "Political Appreciation of the Situation in China." It was believed that Japanese victories would

seriously if not fatally weaken the Central Government's armies and its already precarious internal position. They would encourage disintegration in the Central forces and disaffection of military elements whose complete loyalty to the Central Government has long

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<sup>40</sup>Ibid; also in Foreign Relations: The Conferences at Malta and Yalta, 1945, 351-2.

been in doubt. They would serve to activate the dissident elements and probably consolidate them in a movement which would result in the formation of a "representative" government either through successful pressure on Chiang Kai-shek to form such a government or, as is more likely, through its establishment independently of him. The "Communists" would probably participate in such a government and in any case the weakening of the Kuomintang armies and the heterogeneous, incohesive character of other groups would make the "Communists" the dominant force in China.<sup>41</sup>

A Kuomintang-Communist rapprochement which would provide the basis for real cooperation was believed "unlikely" for "Informal Chinese observers are of the opinion that in a genuine coalition government the Generalissimo would gradually lose his position and power and that he is probably aware of this possibility."<sup>42</sup> But under existing circumstances,

it would not be advisable to deal with other elements as long as the Central Government remains in power and opposed to such dealings. Such action would seriously impair our relations with the Central Government as the legally constituted government of China, any attempt, under the existing military situation in China, to deal with other elements, including the arming of such elements, would be a breach of faith.

In the event, however, of American landings in areas where Central authority is non-existent, the American commanders could not be expected to deal with friendly local groups through the medium of Chungking or to await Chungking's approval of supplying them with arms. Under such circumstances, military exigencies would justify the extension of aid on an ad hoc basis to all local groups believed capable of and willing to

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<sup>41</sup>Ibid.; also in Foreign Relations: 1945, VII, 169-72.

<sup>42</sup>Ibid.



fight the Japanese irrespective of such groups' political affiliations and the state of their relations with the Central Government.<sup>43</sup>

The final memorandum was a critical analysis of Hurley's telegram of December 24 which had been prepared by Vincent on December 26, 1944, but was not sent at that time.<sup>44</sup>

These memoranda, especially the latter, would have brought an immediate and angry response from Hurley if he had read them. It seems obvious, therefore, that he did not since he made no mention of either the message or the memoranda.<sup>45</sup> The Ambassador did, however, write an impassioned twelve-page reply to another telegram from the State Department received on February 8, 1945.

This message which so angered Hurley concerned China's approaching negotiations with the Soviet Union. The Generalissimo, who wanted American assistance in preparing for the talks, had asked for the State Department's opinion of the proposed agenda. Hurley had forwarded the agenda, with an accompanying statement that Chiang desired "cooperation and suggestions" to the Secretary of State on the 4th.<sup>46</sup>

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<sup>43</sup>Ibid.

<sup>44</sup>For a complete discussion of this memorandum see Chapter IV, 65-6.

<sup>45</sup>He apparently did not learn of them until April.

<sup>46</sup>Hurley to Secretary of State, February 4, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 851-2.

The State Department responded that "while we are at all times anxious to be helpful to the Chinese Government, we should not permit the Chinese Government to gain the impression that we are prepared to assume responsibility as 'advisor' to it in its relations with the U.S.S.R."<sup>47</sup>

The Ambassador's scorching reply to Stettinius asserted that the message he had just received from the Department was not suggested or probably even read by the Secretary of State.<sup>48</sup> Hurley was most upset that he had been "admonished" not to act as mediator and protested that this was exactly what the United States had been doing in China. He had attempted to bring about more harmonious relations between China and the Soviet Union, but he had continuously told the Chinese Government that the United States did "not accept responsibility for either the international or domestic policies of the Chinese Government."<sup>49</sup>

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<sup>47</sup>Grew to Hurley, February 6, 1945, Foreign Relations: 1945, VII, 852-3. Also included in Hurley to Secretary of State, February 12, 1945, Hurley Papers.

<sup>48</sup>He was right about this--the message was drafted by John Carter Vincent, Chief of the Division of Chinese Affairs, and Joseph W. Ballantine, Director of the Office of Far Eastern Affairs, approved by the Assistant Secretary of State, and signed by Acting Secretary of State Grew. Moreover, there is no indication that it was read by Stettinius, who was at Yalta. See Feis, footnotes 13, 14, 236.

<sup>49</sup>Hurley to Stettinius, February 12, 1945; not sent until June 9, 1945, Hurley Papers.

Moreover, he had always stressed that action taken by the Nationalist government be "in keeping with the American policy for the conduct of the war in this theater. I now inquire, most kindly, what I have done to indicate the necessity for the admonitions contained" in the message.<sup>50</sup>

Hurley went on to state that the entire telegram had been

marked by such emphasis on fear, admonitions, if not complete disapproval of my efforts that if I took it seriously I would deem it improper for me to know what the Chinese are thinking or doing or what they intend to talk about to Russia and what Russia intends to talk to the Chinese about. If I take your message to mean exactly what it says I would no longer participate in the discussions between the government and the Chinese Communist troops. I would not attempt to lead the National Government and the Chinese Communist Party to a unification of all the military forces in China for the purpose of defeating Japan. I would cease to be a "mediator" or "advisor." I would just make pious suggestions and not demand action.<sup>51</sup>

Proudly discussing his achievements in China, the Ambassador stated that he had prevented the collapse of the National government by removing "some very high placed American officials and three members of the Chinese cabinet."<sup>52</sup> In his efforts to accomplish unity in China, he had also convinced the Generalissimo "that the Chinese Communists are

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<sup>50</sup>Ibid.

<sup>51</sup>Ibid.

<sup>52</sup>Ibid.

not regarded as Communists at all by the Soviet Government."<sup>53</sup>

Hurley then bitterly asserted that during all the time he was struggling to accomplish his mission in China, his own

diplomatic organization in China continued the propaganda that the Soviet (sic) was acting in bad faith; that I was being led astray; that the Soviet (sic) would eventually use the Communists; that the best thing for us to do was to permit the collapse of the "corrupt" government of Chiang Kai-shek; that we must join hands eventually with the Communist Party in China. All of these statements, I believe to be indicative of the antagonistic attitude of the Chinese Division of the State Department and my own Embassy toward my negotiations. My negotiations were opposed, at first, by the military but that opposition was stopped. Finally the opposition of my diplomatic officials constituted the most effective effort to frustrate my attempt at unification of the military forces of China.

To be perfectly frank, Mr. Secretary, I omitted no effort, I spared myself no hardship, I took every action open to me, I served as an "advisor" and as a "mediator" and as a "crusader" with both the Communist party leaders and the Chinese Government in an endeavor to effect a unification of the armed forces of China to bring the armed united force of China to fight our enemy, Japan. I pointed the way. I suggested the form. I established the basic principles of agreement and I insisted upon action. All of this I thought was only implementing the suggestions that had been made many times during a period of eight years. Suggestions alone had proved ineffective. The point is, Mr. Secretary, that we have created the possibility of an agreement between the Chinese Communist Party and the National Government of China. We could make such a settlement if we were strong enough to prevent our own diplomatic officials, in the Embassy at Chungking and the Chinese

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<sup>53</sup>Ibid.

Division of the State Department at Washington, from opposing the policy approved by the President of the United States and the Secretary of State. This telegram of February 6th, which I am attempting to analyze for you, shows the animosity of the Chinese Division of the State Department toward our efforts in China. The conduct of the officials in the Embassy at Chungking unquestionably led the opposition to the American policy that we are encountering here.<sup>54</sup>

The Ambassador then analyzed why Roosevelt conducted most of his foreign relations through personal representatives. His answer was "that the President finds it impossible to wield the State Department as an instrument to make effective his foreign policies."<sup>55</sup> The obvious innuendo was that Hurley understood and sympathized since he was experiencing the same problem.

Before sending this vehement message Hurley decided to discuss it with some of his associates. As a result, he did not send it at that time.<sup>56</sup> Although the message was not sent immediately, the reason for writing it had not vanished. Fearing that policy was being changed without his knowledge, the Ambassador remained profoundly upset. He decided, therefore, that a trip to Washington was necessary to learn what the United States' position was.<sup>57</sup>

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<sup>54</sup>Ibid.

<sup>55</sup>Ibid.

<sup>56</sup>He would forward it in June, however, with an accompanying letter to Stettinius.

<sup>57</sup>"Autobiography," V, 4, Hurley Papers.

Hurley wrote another lengthy message, which he did send, expressing his concern. Beginning with a long description of his role as mediator in the Nationalist-Communist negotiations, he then went into great detail expressing the views of Chiang Kai-shek concerning the Communists. The Generalissimo felt that the Communist support of democratic principles was merely a camouflage, and that they were propagating falsehoods about the Nationalist government, such as the ridiculous charge that it was negotiating with Japan. Hurley ended this discussion by expressing his conviction that the United States "was right in its decision to support the National Government and the leadership of Chiang Kai-shek."<sup>58</sup>

The Ambassador then told Stettinius that he had prepared an earlier reply but had not sent it because he hoped that the recommendation which appeared to reduce his role "in these negotiations to the position of merely making a suggestion without implementing the suggestion," could be discussed in person.<sup>59</sup> Hurley concluded by ironically stating that it was his "earnest desire to be amenable to every suggestion of the State Department even when I believe our position is weakened and accomplishment postponed by

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<sup>58</sup>Hurley to Secretary of State, February 18, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 229.

<sup>59</sup>Ibid.

lack of vigorous implementation of suggestion," and that he hoped his visit to Washington would clarify his mind on the situation.<sup>60</sup>

To further increase the already high level of tension, the accusations which Hurley had expressed in his first message had been and were continuously encouraged by Chiang and his secret police. On February 16, the Generalissimo and Hurley discussed the threat of conspiracy in China. Chiang asserted the belief that "Stilwell was in a conspiracy with the Communists to overthrow the Government . . ."<sup>61</sup> but that no one realized it because the newspaper correspondents were "dupes" and "creatures of Stilwell, Barrett, Davies, and Service."<sup>62</sup> He also feared that the American public would be misguided by the United States Army and State Department.

Hurley responded that he had "no definite proof of the existence of this conspiracy,"<sup>63</sup> but that General Wedemeyer had ordered his officers "to abstain from political activities."<sup>64</sup> In addition, "John Davies has been recalled and John Service has been cautioned."<sup>65</sup>

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<sup>60</sup>Ibid.

<sup>61</sup>Memorandum of Conversation, February 16, 1945, Hurley Papers.

<sup>62</sup>Ibid.

<sup>63</sup>Ibid.

<sup>64</sup>Ibid.

<sup>65</sup>Ibid.

The Generalissimo and the Ambassador then turned to the topic of the Chinese Communists. Chiang expressed sincere hope that the Communists would come to support the National government, but also declared that the democracy of the Communists was "only a pretense."<sup>66</sup> Chiang hesitated, for that reason, to organize a coalition government. Moreover, no matter what the Communists and "Yenan trotting journalists" said, there was substantial unity in China and the National government fundamentally had the support of the people. When the military strength of the Communists was analyzed, Hurley agreed with Chiang's opinion that it was "of nuisance value only," and further acknowledged that "when the war with Japan is over your well-equipped divisions will have a walk-over if you fight the Communists."<sup>67</sup>

Although the Ambassador professed to have no evidence of sabotage, his suspicions were growing stronger. His bonds with Chiang and the Nationalist government were also tightening, and any criticism of the Generalissimo and his government was not well received.

Frequently, reports of peace negotiations between the Nationalist government and Japan were presented to the American authorities, but they were always regarded as rumors

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<sup>66</sup>Ibid.

<sup>67</sup>Ibid.



by Hurley.<sup>68</sup> As time passed, the Ambassador's conviction that no such bargaining had taken place remained firm, and his criticism of such reports grew harsher. They were now rumors perpetrated by the opponents of Chinese unity.<sup>69</sup> This message was generated by a report given to the Observer Mission in January by Chou En-lai. The evidence the Communists presented convinced John K. Emmerson that there should be an investigation of the information.<sup>70</sup>

While Hurley was looking with more favor upon Chiang and the Nationalist government, his attitude toward the Chinese Communists seemed to be hardening. This feeling was apparently reciprocated by the Communists. In January, Chu Teh asked, through Wedemeyer, for an American loan to the Communist Army. In the message, General Chu had asked that Hurley not be told of the loan request.<sup>71</sup>

When the Ambassador learned of it, he wrote Stettinius to state his opposition. He asserted that the form of the request "indicates clearly that the Communist

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<sup>68</sup>The Ambassador's message of December 29 discussed one such report, and he commented that he continued to be "highly skeptical of such reports insofar as they involve the Central Government as such and its highest leaders." See Hurley to Secretary of State, December 29, 1944, Hurley Papers.

<sup>69</sup>Hurley to Secretary of State, February 14, 1945, Hurley Papers.

<sup>70</sup>Emmerson Memorandum, January 13, 1945, Hurley Papers.

<sup>71</sup>Chu Teh to Wedemeyer, January 23, 1945, Hurley Papers.

leaders were fearful that I might penetrate their scheme; it also indicates clearly that the Communist Party hoped to bypass this Embassy as well as the National government to obtain financial assistance and arms through our military establishment without the knowledge of the Government of China or this Embassy."<sup>72</sup> Hurley was opposed to the loan because such aid would defeat the "established policy" of the United States which was "to prevent the collapse of the National Government and to sustain Chiang Kai-shek as President of the Government and Generalissimo."<sup>73</sup>

With the irritations of the past days still stinging, Hurley left Chungking for Washington on February 19. He was convinced that he had successfully brought the Nationalists and Communists to the verge of unification, but with this feeling of satisfaction went resentment at what he regarded as efforts to undo or defeat his work. Hurley was convinced that various members of the American diplomatic mission in China and some officers in the Far Eastern Division of the State Department were critical both of him and the way he was handling the situation in China, and he believed that this opposition constituted the main reason

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<sup>72</sup>Hurley to Secretary of State, February 14, 1945, Hurley Papers.

<sup>73</sup>Ibid.

he had failed to accomplish the tasks assigned him by the President. By this time, the Ambassador had acquired a distorted view of his role in China, his mission, and the people around him. He visualized himself as singlehandedly carrying out American policies in China and imagined the differing opinions of other Americans as constant plotting to undermine him. The open animosity which had come to characterize Hurley's relations with most of the American community left him a tragicomic figure, isolated in his "outraged dignity."<sup>74</sup>

He was returning to Washington determined to discover if changes in American policy had occurred and if he were deliberately being kept uninformed. He probably felt that there would be a confrontation with the State Department officials, and he counted on the support of Roosevelt.

If these were the emotions which Hurley carried to the United States, he left behind a staff which was close to total frustration. This feeling was not motivated simply by personal hostility. The Foreign Service Officers agreed that the Ambassador's assessment of the China situation was naive and unrealistic, and they knew that other analyses were reaching the United States only in small numbers, if at all. Hurley enforced the rigid censorship of the

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<sup>74</sup>White and Jacoby, 249.

Nationalist government which meant that no unfavorable material (including criticism of Hurley) was permitted to be dispatched. To make matters more critical, conditions in China were worsening rather than improving as Hurley had been hinting. The State Department personnel feared, consequently, the complete loss of China if something was not done quickly.

Feeling that it was their duty to report the situation as they saw it, the Ambassador's departure provided them the opportunity. George Atcheson, as Charge d'Affaires, became ranking officer, and he called together all the political officers of the Embassy to prepare a comprehensive review of conditions in China and to make recommendations. As a result, they composed a telegram, the basis of which was a memorandum which Raymond Ludden and John Stewart Service had written following the return of Ludden from an extensive trip to Communist territory and behind Japanese lines. Ludden had originally composed a brief report, and after talking it over with other members of the Embassy and Wedemeyer's staff, he and Service, who had also been in the area, prepared the memorandum.<sup>75</sup>

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Feis, 268. Service would later testify that both of them had discussed the situation with Wedemeyer. The General had agreed with their view that military consideration made it desirable to utilize the military strength of the Communists and had asked for a memorandum on the topic. This was now enlarged and sent to the State Department. See "Service Hearings," State Department, II, 1973-74, 1999, John

The telegram expressed concern unless some change was made in America's China policy, disaster would result, because the situation was developing in ways that were "not conducive to effective prosecution of the war, nor to China's future peace and unity."<sup>76</sup> Evidence was then given that the Nationalist government's apparent belief that the United States was "intent upon the definite support and strengthening of . . . [it] alone and as the only possible channel for aid to other groups" had greatly increased Chiang's feeling of strength and resulted in "unrealistic optimism on his part and lack of willingness to cooperate."<sup>77</sup>

On the other hand, the Communists had "come to the conclusion that we are definitely committed to the support of Chiang alone, and that we will not force Chiang's hand in order to be able to aid or cooperate with them."<sup>78</sup> Consequently, they were strengthening themselves militarily and talking of the necessity of seeking Soviet assistance. Although the American policy of refusing to deal with or assist any group other than the Central Government had been "diplomatically correct," it seemed clear that "if this

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Stewart Service and Raymond Ludden, "Military Weakness of Our Far Eastern Policy," February 14, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 216-8.

<sup>76</sup> Acheson to Secretary of State, February 28, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 242-6.

<sup>77</sup> Ibid.

<sup>78</sup> Ibid.

situation continues and our analysis of it is correct, chaos in China will be inevitable and the possible outbreak of disastrous civil conflict will be accelerated."<sup>79</sup>

If the United States military authorities agreed that aid from groups other than the Kuomintang, such as the Communists, was necessary, the President should inform Chiang, in definite terms, that military necessity required the United States to supply and to cooperate with such groups as the Communists, without the arrangement of a coalition government. The officers believed that such a step would bridge the present deadlock and promote complete unity in China. The United States would prove that it was not committed to the "present reactionary leadership of the Kuomintang," thus securing the cooperation of all Chinese in the war and holding the Communists on the American side rather than throwing them into the arms of the Soviet Union. This policy would also convince the Kuomintang that its apparent plans for eventual civil war were undesirable and thus bring about "some unification which, even though not immediately complete, would provide the basis for peaceful future development toward full democracy."<sup>80</sup>

After pointing out that the presence of both Wedemeyer and Hurley in Washington gave an opportunity for this

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<sup>79</sup>Ibid.

<sup>80</sup>Ibid.

recommendation to be discussed, the telegram concluded with the statement that it had been drafted with the assistance and agreement of all the political officers of the Embassy and had been shown to General Wedemeyer's Chief of Staff.<sup>81</sup>

This message had considerable impact in Washington. It arrived in the capital just when the Department was coming to similar conclusions about America's China policy. On March 1, Vincent prepared a memorandum which declared that the "prospects for early political and military unity in China are discouraging."<sup>82</sup> While the United States should continue to exert its influence to bring about such unity, it

should be prepared, in the event of American military operations which could be aided by the cooperation of Chinese Communist forces, to supply those forces with arms and ammunition.

There should be no question of choosing between Chiang and the Communists; of withdrawal of support from Chiang. But likewise there should be no question of an exercise of our prerogative, dictated by military necessity, to utilize all forces in China capable of cooperating with us in the fight against Japan. Chiang, having failed to effect military unity, should be told

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<sup>81</sup>Ibid.

<sup>82</sup>Memorandum by Vincent, March 1, 1945, Foreign Relations: 1945, VII, 247. See also Memorandum by Assistant Chief of the Division of Chinese Affairs, March 1, 1945, Foreign Relations: 1945, VII, 57-64. This memorandum is a lengthy discussion of the situation in China which identified the lack of unity as the crux of the problem but made no policy recommendations.

that he has forfeited any claim to exclusive support.

Chiang's initial reaction would probably be unfavorable--but without practical effect because it is extremely doubtful that he would be prepared actively to oppose aid to the Chinese Communists. There is also the probability that, faced with a positive statement of our stand and intentions, Chiang might actually be moved to effect, on a military level, the unity of forces for which we have been striving.<sup>83</sup>

Vincent concluded with the comment that after he had prepared the above statement, he had read Acheson's telegram and felt "that it should receive the most serious consideration."<sup>84</sup> That same day, a memorandum containing a very complete resume of the telegram was prepared by the State Department.<sup>85</sup>

On March 2, a statement entitled "American Policy with Respect to China" was completed by a group of officers in the China Affairs Division of the State Department which provided more graphic evidence of the agreement between Department personnel in Washington and those in the field in China. It reiterated that the long range goal of American policy was a strong, stable, united China "with a government that is democratic in character and representative of the

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<sup>83</sup>Ibid., 248. Emphasis added.

<sup>84</sup>Ibid., 248-9.

<sup>85</sup>State Department Memorandum, "Top Secret Summary of Current Developments," March 1, 1945, Hurley Papers. There is no record of this document in Foreign Relations: 1945.



wishes of the Chinese people."<sup>86</sup> The short range policy was to achieve mobilization of China's military and economic power "to the fullest possible extent in the prosecution of the war."<sup>87</sup> The attainment of these objectives was inhibited by the continuation of political and military disunity, which stemmed basically from the struggle between the Kuomintang and the Chinese Communist Party for control of China. After noting that relations between these two groups was marked by distrust, the State Department personnel declared that the Nationalist regime had, as a general principle, "insisted on Communist recognition of the Kuomintang-controlled government as the sovereign power."<sup>88</sup> A "commitment on the part of the Kuomintang to relinquish one-party government at an early date" would, therefore, "contribute materially to the attainment of internal unity."<sup>89</sup>

In light of their evaluation of the situation in China, the Foreign Service Officers offered suggestions for implementation of American policy. Concerning the short range objective, the United States should "continue to advocate the unification or at least the coordination of all

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<sup>86</sup>Memorandum by Everett F. Drumright, March 2, 1945, Foreign Relations: 1945, VII, 249.

<sup>87</sup>Ibid.

<sup>88</sup>Ibid., 249-50.

<sup>89</sup>Ibid., 250.

military forces in China."<sup>90</sup> It should also encourage the Kuomintang to convoke a conference of all parties as well as certain non-party leaders to consider "interim measures for political and military unity pending convocation of the projected Peoples Assembly."<sup>91</sup>

With respect to long range policy, it appeared "to be in the interests of the United States to support . . . [Chiang] and his Kuomintang-sponsored government" to the extent that the Generalissimo was "sincerely willing (1) to accept American counsel, (2) to cooperate wholeheartedly with the United States in bringing about the defeat of Japan, and (3) to carry out measures designed to achieve internal reform and the promotion of national unity . . . ."<sup>92</sup> It was clear, however, that

it would be in the American interest to maintain a flexible policy in this respect vis-a-vis Chiang for two reasons: first, the United States may wish to withdraw support from Chiang in the event that his government and administration deteriorate to a point reaching impotence; and, second, the United States appears to possess, in its discretion to grant or to withhold support and assistance, a weapon which may be used to induce Chiang to cooperate, reform the administration of his government, and put China's maximum effort in the prosecution of the war.<sup>93</sup>

America should impress on Chiang the need for "(1) Party reforms, (2) the early establishment of broadly representative, constitutional government, and (3) Kuomintang advocacy

<sup>90</sup>Ibid., 251.

<sup>91</sup>Ibid.

<sup>92</sup>Ibid. Emphasis added.

<sup>93</sup>Ibid. Emphasis added.

of the enactment of a permanent constitution that is liberal and democratic in character . . . ."94

The Departmental personnel then recommended that the substance of these comments should "be communicated at the highest level to the Generalissimo at an early date and he should be frankly informed that because of the vital importance of the vigorous prosecution of the war we may find it necessary to give military assistance not only to his forces but to other groups. . . ."95 The United States should also impress upon "the Communists and other non-Kuomintang groups the urgent need for political and military unification in order to further the Chinese war effort."96 With particular regard to the Chinese Communists, it was believed that America "would be justified in urging upon them the adoption of a more conciliatory attitude than they appear recently to have displayed toward the matter of reaching an agreement with the Kuomintang."97 The United States needed to "constantly bear in mind the possibility that Allied forces may land on the China coast, and that we may find it essential in the conduct of our military operations in such areas to cooperate with and grant assistance to such Chinese military forces, including Communist and other non-Kuomintang

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<sup>94</sup>Ibid.

<sup>96</sup>Ibid.

<sup>95</sup>Ibid., 252.

<sup>97</sup>Ibid.

forces, as may be present there."<sup>98</sup>

Concluding their statement, the State Department personnel directed themselves to the relationship of other powers to America's China policy. It was their opinion that the United States should make clear to Great Britain and the Soviet Union the nature of its policy and objectives and "should solicit the cooperation of those powers in carrying out those objectives. . . ."<sup>99</sup> These men believed that Russia would have more interest in China following the conclusion of the war in Europe, and if Russia entered the Far Eastern conflict, it seemed inevitable that Soviet forces would "link up with Chinese Communist troops . . . ."<sup>100</sup> For that reason, it was "obvious that an agreement is needed between the Kuomintang and the Chinese Communist Party for internal unity and a unified military command. An American-Russian understanding vis-a-vis China would, it is believed, contribute materially to a solution of the Kuomintang-Communist impasse and to the future peace of East Asia and the world."<sup>101</sup>

Although these recommendations were similar to the proposals in Atcheson's telegram, the latter became the principal focus of the debate over China policy which took

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<sup>98</sup>Ibid.

<sup>100</sup>Ibid., 253.

<sup>99</sup>Ibid.

<sup>101</sup>Ibid.

place in Washington during the weeks of the Hurley visit. Acting Secretary of State Joseph Grew sent a copy of the telegram to the White House on the 2nd. The note he wrote to accompany it stated his belief that the message from the Embassy staff clearly presented the dangers if the Kuomintang and the Communists failed to arrange a settlement. Asserting that the State Department had become increasingly worried by recent signs of Chiang's intractability, he added that developments indicated the need for greater flexibility with regard to American policy toward China. The note concluded, as the telegram had, with the comment that the presence of both Hurley and Wedemeyer in Washington would provide a good chance to review the entire situation and, in particular, the recommendations made by the Chungking Embassy.<sup>102</sup>

When the Ambassador learned of the telegram he was aggravated and deeply shocked. The State Department discussed its contents with him several times, and it was the major topic at an acrimonious meeting between him and State Department officials on March 5. Hurley defended his handling of the situation in China and asserted that "the sending of the telegram was an act of disloyalty to him on part of his staff . . . ."<sup>103</sup> He also expressed the opinion that its

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<sup>102</sup>Grew to Roosevelt, March 2, 1945, Foreign Relations: 1945, VII, 254.

<sup>103</sup>Memorandum by Ballantine, Director of Office of Far Eastern Affairs, March 6, 1945, Foreign Relations: 1945, VII, 261.

recommendations raised issues which had already been settled, such as recognition of the Chinese Communists, thus making "it necessary for him to fight [them] all over again with the State Department, the War Department, and the White House . . . ."104 Despite the response by the Director of the Office of Far Eastern Affairs, Joseph W. Ballantine, that the Ambassador read into the telegram implications not in accord with the Department's interpretations, this session did not end the controversy.105

Hurley telephoned Ballantine the following day to discuss the telegram again, reiterating his belief that its effect was "to undermine his efforts . . . ."106 The

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104 Ibid., 261.

105 Hurley, who never liked to be placed on the defensive, later asserted that he "was called on the carpet with a full array of the pro-Communists in the State Department as my judges and questioners to defend the American policy in China against every official in the American Embassy in China." See Military Situation, V, 3256. John Carter Vincent, in a letter to the author dated July 11, 1967, denied any such incident occurred, and stated: "I ought to know because I was Chief of the China Division at the time." Vincent also said that he was on quite friendly terms with Hurley, or "at least he gave me to believe this to be the case." This is interesting since Hurley later stated that Vincent was presiding at the meeting. See "Davies Hearings," June 26, 1954, 26, Hurley Papers. On another occasion the Ambassador also asserted that in all probability an entire embassy staff, in the absence of the ambassador, had never "recommended the overthrow of the government to which the embassy was accredited." See "Autobiography," V, 8-9, Hurley Papers. The Staff's recommendations represented, in Hurley's opinion, acceptance of the proposals of Davies and Service to make agreements directly with the Communists so that power could fall inevitably into their hands. Ibid.

106 Ibid.

Director tried to convince the Ambassador, without success, that Atcheson "had done his duty in giving his estimate of the most recent developments and of the thought of the Embassy in that connection."<sup>107</sup> Hurley replied that "Army opposition to his policy had been eliminated by getting the die-hards transferred but it seemed to him that he still had to contend with the State Department career officers who were upholding each other and who resented . . . [his] policies."<sup>108</sup> The Ambassador concluded the conversation by requesting another meeting on the 7th to discuss the matter with the State Department, which was agreeable to Ballantine. No record of this meeting has been found in the Department's files,<sup>109</sup> but the policy debate did continue.

During this time, the State Department officials supported their personnel in China, believing that their recommendations, with which they agreed, merited consideration. Already resentful of the State Department's attitude towards him, Hurley was undoubtedly further angered by this position, which he regarded as new evidence of the hostility of the entire Department. The professional diplomats did not feel any tinge of disloyalty. Instead, they believed that

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<sup>107</sup>Ibid.

<sup>108</sup>Ibid.

<sup>109</sup>Foreign Relations: 1945, VII, footnote 34, 361.

the gravity of the situation in China made it imperative for them to examine the American policy and consider all possibilities. They had acted properly in regard to both the recommendations of the Embassy and Hurley's opinions.<sup>110</sup>

Moreover, it was the conviction of the State Department officials that there was "no difference of view between Ambassador Hurley and us (or Mr. Acheson) as to the objective of our policy in China."<sup>111</sup> In a memorandum prepared by the Department on March 7, this policy was outlined in terms which were almost identical to those of the statement of the 2nd. This new memorandum declared that political and military unity was indispensable to the long-term objectives of American policy as well as the most effective means of achieving the short-term goal of full mobilization of China's resources for the prosecution of the war. If unity could not be achieved, the "importance of utilizing all available resources to defeat Japan makes it imperative that we seek other means for achieving our objective."<sup>112</sup> One alternative was giving aid to the Chinese Communists.

Noting that Hurley was seriously concerned that implementation of this proposal would " (1) constitute

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<sup>110</sup>Feis, 272. Various memoranda included in Foreign Relations: 1945 and referred to in this chapter also provide evidence of this attitude.

<sup>111</sup>Memorandum by Ballantine, March 7, 1945, Foreign Relations: 1945, VII, 262.

<sup>112</sup>Ibid.



recognition of their [the Chinese Communists] belligerent status . . . and (2) result in the speedy overthrow of the National Government,"<sup>113</sup> the Department disagreed pointing out that there was no question of concluding any agreement or taking "any steps which would constitute in any sense recognition of belligerency on the part of the Communists . . . ." <sup>114</sup> The United States would also "continue to recognize the National Government, to supply arms and military equipment in increasing quantities to that Government . . . ." <sup>115</sup> As to the Ambassador's second objection, the assistance to the Communists would be strictly limited and there was "no danger of the military strength of the Communists being sufficiently augmented to effect the overthrow of the National Government by force of arms."<sup>116</sup>

It was the Department's opinion that a statement to the Generalissimo that American military authorities might "give limited quantities of military equipment to the Communists or any other Chinese group which in their opinion would effectively use such equipment in carrying on guerilla warfare against the Japanese" would aid in the prosecution of the war and in promoting unity and democracy in China.<sup>117</sup>

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<sup>113</sup>Ibid., 263.

<sup>115</sup>Ibid.

<sup>117</sup>Ibid.

<sup>114</sup>Ibid.

<sup>116</sup>Ibid., 264.

This memorandum concluded with the statement that Acheson's plan "was proposed as a method for dealing with a deadlock."<sup>118</sup> If, however, there "should be no deadlock and if an agreement is reached between Chiang and the Communists, which Ambassador Hurley feels confident will be achieved by the end of April, then the question of adopting any alternative plans, including that of Mr. Acheson, does not arise."<sup>119</sup>

Hurley, refusing to accept the State Department's view on the debate, determined to carry it to higher levels of authority.<sup>120</sup> In addition to his daily conferences with State Department personnel, especially Stettinius, he had meetings with other government officials. On March 8, he not only saw Stimson and Marshall but also the President to discuss America's objectives in China.<sup>121</sup> During this time, Wedemeyer was also consulted by the Division of Chinese Affairs to obtain his viewpoint on the use of Communist forces. His answer, which seemed negative, probably influenced the deliberation.<sup>122</sup> The Yalta agreement undoubtedly

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<sup>118</sup>Ibid.

<sup>119</sup>Ibid.

<sup>120</sup>Hurley's later opinion of his discussions with the State Department was that he had been "overruled." See Lohbeck, 382.

<sup>121</sup>"China Diary," Hurley Papers.

<sup>122</sup>Memorandum of Conversation by Vincent, March 12, 1945, Foreign Relations: 1945, VII, 270-2. Plans had already been prepared to utilize the Communists without waiting for an agreement between the Communists and Nationalists, but Wedemeyer perhaps felt that he should not reveal this as yet. See Feis, 272.

also bolstered the Ambassador's position, but Hurley's success in convincing the President that he could deliver a Kuomintang-Communist agreement within a few weeks was the most important factor in Roosevelt's decision to uphold the Ambassador in the policy debate.<sup>123</sup>

Although the decision on China was of a limited nature only,<sup>124</sup> the Ambassador regarded it as a personal victory. His triumph gave him new assurance and encouraged him to take an even more exaggerated view of his own importance. Confident of the President's support, he was determined to end all opposition to himself.<sup>125</sup> At the time, Hurley was certain that Acheson and Service were responsible for the telegram, and he set out specifically to remove them

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<sup>123</sup>Service, 116. The Ambassador related afterwards that he "'won over all of their criticism for one reason only. The President sustained my position and said it was in keeping with the traditional American policy in China.'" See Lohbeck, 383.

<sup>124</sup>In fact, the very day that Hurley left Washington, the State Department completed a statement on America's post-war China policy which stressed the need for caution in committing support to Chiang Kai-shek and his government. See Memorandum concerning United States Post-War Military Policies with Respect to China, April 3, 1945, Foreign Relations: 1945, VII, 74-9.

<sup>125</sup>Hurley later stated that he had demanded that he be given an Embassy Staff loyal to American policy or he would not return to Chungking. See Lohbeck, 383.

from China.<sup>126</sup>

Although there is still some question as to the effectiveness of Hurley's complaints, several members of the Embassy in Chungking were transferred and the corps of political officers assigned to Wedemeyer was disbanded. Acheson was soon to be reassigned by the State Department, and Hurley resolved to have Service replaced also. Since Service was a member of Wedemeyer's staff, he was not subject to State Department orders. Hurley went to Secretary of War Stimson, therefore, and demanded that the Foreign Service Officers serving under Wedemeyer be returned to his control. Stimson was reluctant to comply with this request but asked the General if he were willing to have these men returned to the Embassy. Although sensing that Stimson did not favor giving up the "Old China Hands," Wedemeyer made no objection to having them reassigned.<sup>127</sup> He probably thought this was best in light of the fact that he had to work closely with Hurley. Once the General had consented, Stimson had little choice but to comply with the Ambassador's wishes.

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<sup>126</sup>Afterwards, he would assert that Acheson had not written it and that others, ranging from Theodore White to Chou En-lai and possibly even Davies, were responsible for the message. See "Davies Hearings," June 26, 77-8, 80; "Life Statement," 65, Hurley Papers.

<sup>127</sup>Wedemeyer, 432-3.

Service was notified in early April that he was to return to Washington. He received these orders while in Yen-an where he had been sent by Wedemeyer's Chief of Staff.<sup>128</sup> The message contained no indication of the reason for the recall, and naturally caused considerable speculation within the diplomatic contingent and in other places. Although Wedemeyer's Chief of Staff felt that the young officer's departure would be a great loss,<sup>129</sup> Service was hopeful that his new assignment was an advancement.<sup>130</sup> The Communists were very interested since it was possible that Service's return meant consultation on China.<sup>131</sup> When the young officer arrived in Washington and learned the true meaning of his recall, he was bitterly disappointed.<sup>132</sup> He--and others--had hoped that the challenge to Hurley would run quite a different course. A letter Service wrote, but never mailed, to Theodore White and Annalee Jacoby provides picturesque documentation of this:

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<sup>128</sup>Hurley would later charge that Service had gone to Yen-an without permission. See "Davies Hearings," June 28, 1954, 3, Hurley Papers and Chapter XVI, 598.

<sup>129</sup>He sent a message stating this opinion to General Marshall. See Feis, footnote 11, 273.

<sup>130</sup>State Department, I, 1357.

<sup>131</sup>John Stewart Service, "Conversation with Communist Leaders," April 1, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 311-7.

<sup>132</sup>State Department, I, 1357.

The optimistically pleasant speculations we allowed ourselves to indulge in on that last evening . . . were 180 degrees off.

The paper tiger [Hurley] roared loudly enough around here to drown out the general . . . but timid opposition. And, based on . . . the Tiger's modest account of his achievements, the big boss [Roosevelt] said: "Keep it up!" After that, the table pounding in regard to yours truly was only a matter of course.<sup>133</sup>

With his efforts to have the Embassy reorganized, the corps of political advisors disbanded, and Service and Acheson recalled proceeding smoothly, the Ambassador was satisfied that his control over Embassy affairs would be reestablished and his interpretation of American policy in China would be continued. Another special mission given him at this time added to his sense of self-satisfaction.

The exact origins and purpose of the Ambassador's new assignment are difficult to trace and identify since the White House never commented on it, and Hurley's later explanations were undoubtedly dramatized.<sup>134</sup> He stopped in Great Britain and the Soviet Union for conferences on his return to China, and the evidence indicates that he was sent to both countries to reaffirm their support of American policy in China.<sup>135</sup>

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<sup>133</sup>"Service Hearings," State Department, II, 2359-60.

<sup>134</sup>Feis, 278.

<sup>135</sup>Hurley to Harriman, March 31, 1945, Foreign Relations: 1945, VII, 308-9. See also Hurley to Truman, May 10, 1945, Foreign Relations: 1945, VII, 865-8, for a

The special mission, whatever its origins, further convinced the Ambassador that his directives in China remained unchanged and that he had the confidence of the President. His press conference which he gave just before

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discussion of the Ambassador's mission. Hurley would later claim that he was sent to amend the Yalta agreement. He stated that one of the reasons he had returned to the United States was because he had concluded that secret decisions of major importance to Asia had been made at Yalta. See "Autobiography," V, 4, Hurley Papers. It would be surprising if rumors had not reached China since leakage of information was not unusual. It would also have been typical of Hurley to feel irritation that he had not been invited to the Yalta conference if decisions had been made regarding China. It is likely, therefore, that Hurley set out to learn of such arrangements and possibly did discover some of the details, but not in the way or with the results which he later described. In the following years, Hurley testified that while in Washington, he had asked the State Department for information on agreements made at Yalta regarding China. When the Department told him no such arrangements had been negotiated, he went to the White House for the truth. On his first visit with the President, Roosevelt had also denied the existence of any accord on China. The following day, though, the President sent for Hurley to discuss the decisions made at the conference. Although Roosevelt contended that China was not affected, the Ambassador finally persuaded the President to let him examine the records and personal papers of the Yalta meeting. Troubled by what he learned, Hurley again talked to Roosevelt. While the President had still been of the opinion that Hurley was "seeing ghosts again," he finally permitted the Ambassador to obtain a copy of the agreement. When Hurley returned and showed the accord to Roosevelt, the President then seemed disturbed. He told Hurley that the agreement did contain some features which "justify your fear. I would like for you to go to London and see Churchill to ameliorate that agreement . . .," and "I would like for you to go to Moscow to see Stalin." See Testimony, Military Situation, IV, 2884-5. Hurley's diary records no such series of meetings with Roosevelt, and his reports to both Truman and Stettinius after Roosevelt's death do not verify his testimony.

his departure on April 3, indicated this renewed assurance. He spent much time defending American policy in China, especially its support of Chiang. Expressing the opinion that the "military strength of the armed political parties and the war lords had been over-estimated in the United States," Hurley stated that the strongest military force in China, "stronger than all the war lords and armed political parties, is still the national government of China."<sup>136</sup> All criticism of the Generalissimo was turned aside. Asserting that Chiang "was not Fascist-minded," and that "his ambition was to relinquish all the power he possessed for a government of the people, for the people, by the people," the Ambassador pointed out that Chiang was "now taking steps to formulate a foundation for a government based upon democratic principles . . . ." <sup>137</sup>

When questioned about arming the Communists, Hurley replied that it was "his opinion that the furnishing of weapons to an armed political party would be equivalent to the recognition of a belligerent."<sup>138</sup> The United States had recognized the Nationalist government of China as the government of that nation, and "not any armed war lords or any

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<sup>136</sup>Radio Bulletin of Hurley Press Conference, April 2, 1945, Hurley Papers.

<sup>137</sup>Ibid.

<sup>138</sup>Ibid.



armed political parties . . . ."139 Differences between the Communists and the Nationalists were next discussed. The Ambassador pointed out that both groups were "for the establishment of a government in China that will decentralize authority and conduct itself along democratic lines . . . , but that the divergence between them was the procedure by which those objectives could be achieved."140 Hurley concluded the conference by stating his optimistic belief that there was a possibility for both the military and political unification of China along democratic lines.141

A letter from John Carter Vincent, which the Ambassador received on the same day, must have further boosted his ego. Vincent was quite complimentary and indicated support for Hurley and his views "down the line."142 He expressed agreement with the Ambassador's belief that "Chiang's leadership should be supported and the National Government prevented from collapse."143

Only one bad note intruded upon this hymn of praise. The Chief of the Division of Chinese Affairs encouraged Hurley to apply "firm and consistent pressure" to the

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139 Ibid.

140 Ibid.

141 Ibid.

142 Vincent to Hurley, April 2, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 323-5.

143 Ibid.

Generalissimo. Chiang would not yield unless forced, and neither he nor his government would "collapse in the yielding."<sup>144</sup> Vincent added that the Communists required firm pressure also, but since the United States had no means of exerting such force, it had to rely upon the Russians for it. He then concluded by wishing Hurley well on his trip to Moscow.<sup>145</sup>

Although Vincent's comments were undoubtedly intended to be cautionary, the Ambassador probably did not recognize their purpose. His assurance had been restored, and he blithely set out for China, by way of London and Moscow, envisioning new successes and greater glory.

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<sup>144</sup>Ibid.

<sup>145</sup>Ibid.

## CHAPTER VI

### ASSIGNMENT IN CHINA--LAST PHASE

Hurley arrived in London on April 4, and the following day he began a series of conferences with Prime Minister Winston Churchill, Foreign Secretary Anthony Eden, and the General Staff. The Ambassador set out to obtain British approval of America's policy "to support the National Government of China, to unite the military forces of China . . . and to support all reasonable efforts of Chinese leaders for the purpose of creating a free, united, democratic nation," and both Churchill and Eden agreed to sustain it.<sup>1</sup>

The Ambassador's pleasure at his success in England was somewhat blighted by two items of information which he received after leaving there. While in Cairo, enroute to Moscow, he apparently heard the disconcerting news that George Atcheson was being sent to the upcoming United Nations

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<sup>1</sup>Hurley to Secretary of State, April 14, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 329-32. Despite British willingness to support American objectives, Churchill expressed the opinion that the long-range China policy of the United States was "'the great American illusion.'" Ibid. There was also a rather heated argument between Hurley and the Prime Minister over Britain's plan to retain all of her colonial possessions. Ibid.

Conference in San Francisco.<sup>2</sup> Hurley immediately wrote to Washington about this information. He told Stettinius that he was opposed to such an assignment because "as you well know Acheson has opposed American policy in China. I would consider it detrimental to our efforts there if you continue to make our work more difficult by permitting those opposed to American policy to be placed in position to defeat that policy."<sup>3</sup> The Secretary of State replied to this message stating that it had "never been the intention of the Department to assign Acheson to the Staff of the American Delegation at San Francisco . . . ."<sup>4</sup> Instead, he was being assigned for duty in Washington "in accordance with a plan we have had in mind for several months . . . ."<sup>5</sup>

The second item of news was a great shock to Hurley. This was the word of Roosevelt's death. The Ambassador immediately wired both Truman and Stettinius explaining that

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<sup>2</sup>The source of this information is not certain since the memorandum which Hurley was presented on this topic merely stated that Acheson was leaving Chungking about April 19 and made no reference to his assignment. See Memorandum from Frederick Farnsworth, second secretary of legation in Cairo to Hurley, April 10, 1945, Hurley Papers.

<sup>3</sup>Hurley, apparently to Secretary of State, undated, Hurley Papers.

<sup>4</sup>Stettinius to Hurley, April 14, 1945, Hurley Papers.

<sup>5</sup>Ibid.

he was on a special mission as a result of Roosevelt's "suggestion that I undertake to obtain cooperation from the British and Soviet Governments for the American policy" in China.<sup>6</sup> Hurley also included the required formal resignation, but offered to continue in service.<sup>7</sup> A separate message to the Secretary of State discussed what he had been doing in more detail and explained that he had decided to continue to Moscow unless he received other instructions.<sup>8</sup> Stettinius replied, thanking Hurley for the cable and stating that he fully concurred with the Ambassador's decision to "carry on your mission to Moscow in accordance with previous instructions."<sup>9</sup>

Reaching Moscow, Hurley met with Marshal Stalin and Molotov. He was in Russia only for a short while, but he was highly satisfied with the outcome of his discussions. During the conference, Ambassador Hurley explained that since

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<sup>6</sup>Hurley to Secretary of State and President, April 13, 1945, Hurley Papers.

<sup>7</sup>Ibid.

<sup>8</sup>Hurley to Secretary of State, April 13, 1945, Hurley Papers. Hurley received only a brief reply from Truman stating that his offer of loyal service was appreciated and that he should carry on his work. See President to Hurley, April 14, 1945, Hurley Papers. Obviously, the new President, who was still unfamiliar with the tasks facing him, was in no position to make policy changes or recommendations.

<sup>9</sup>Stettinius to Hurley, April 14, 1945, Foreign Relations: 1945, VII, 333.

American policy in China was to unify all armed forces and promote China's aspirations for a free, united, democratic government, it had been decided to support the Nationalist government of China under the leadership of Chiang Kai-shek. Stalin replied that this policy would "have his complete support."<sup>10</sup> The Yalta agreement concerning China was also discussed, and Marshal Stalin inquired if Chiang had been informed. When the Ambassador explained that he was to tell the Generalissimo, Stalin agreed to permit Hurley to select the time, with the understanding that the Ambassador first check with him.<sup>11</sup>

Hurley's report to Washington on his mission to Moscow was glowing. In his opinion, Marshal Stalin was most conciliatory and had agreed "unqualifiedly" to all aspects of American policy.<sup>12</sup>

Averell Harriman, the American Ambassador to Russia, who had also taken part in the talks, was not as enthusiastic as Hurley concerning the conference with Stalin. Harriman returned to Washington immediately after the discussions,

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<sup>10</sup>Hurley to Secretary of State, April 17, 1945, Hurley Papers.

<sup>11</sup>Ibid. This is the first reference which indicates that Hurley was aware of the secret provisions of Yalta, but it does not provide evidence that he attempted to alter the agreement in any way.

<sup>12</sup>Ibid. This response was typical of Hurley. He was always certain that he could succeed at any undertaking (unless his efforts were undermined by others).

and he told Truman and the State Department that Hurley's report, while factually accurate, gave a "too optimistic impression of Marshal Stalin's reactions."<sup>13</sup> Ambassador Harriman was certain that Stalin would not cooperate indefinitely with Chiang, and that if and when Russia entered the conflict in the Far East, he would support and make full use of the Chinese Communists. Harriman additionally feared that Hurley might give Chiang an "over-optimistic account of his conversations with Stalin," and he thought that it might be advisable to suggest to General Hurley that he should be careful.<sup>14</sup>

George Kennan, Charge d'Affaires in Moscow, also felt that Ambassador Hurley's report was so unrealistic that he followed it up with a telegram warning the government not to be misled:

It would be tragic if our natural anxiety for the support of the Soviet Union at this juncture, coupled with Stalin's use of words which mean all things to all people and his cautious affability, were to lead us into an undue reliance on Soviet aid or even Soviet acquiescence in the achievement of our long-term objectives in China.<sup>15</sup>

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<sup>13</sup>Memorandum of Conversation, Deputy Director of the Office of Far Eastern Affairs and Harriman, April 19, 1945, Foreign Relations: 1945, VII, 341-2. See also Military Situation, IV, 2886.

<sup>14</sup>Ibid.

<sup>15</sup>Kennan to Secretary of State, April 23, 1945, Foreign Relations: 1945, VII, 344.

Following this line of reasoning, Stettinius on April 23, sent a cautionary note to Hurley who had just arrived in Chungking. It hinted that Stalin's remarks might only be dues paid to circumstances and that after the war in Europe was won, he might change his mind and tactics. When the Ambassador informed Chiang of the statements made by Stalin, he was, therefore, to "take special pains to convey to him this . . . general thought . . . in order that the urgency of the situation may be fully realized by him."<sup>16</sup>

Unaware of the response his reports were receiving, the Ambassador returned to China bursting with enthusiasm. He believed his missions to London and Moscow to have been major victories, and he was confident that his authority in China was stronger than ever as a result of his victory over the State Department. His self-assurance at a peak, he spent the first few weeks after his arrival testing his new power.

He soon found reasons for annoyance. The Embassy reorganization which had been arranged while he was in Washington had not been completed because the State Department had failed to send the plan to Acheson's replacement. Hurley immediately sent a message to Stettinius expressing his surprise, tinged no doubt with irony, that the Embassy

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<sup>16</sup>Secretary of State to Hurley, April 23, 1945, Foreign Relations: 1945, VII, 345.



had not yet received this information.<sup>17</sup>

The Ambassador must also have been somewhat piqued by the chastening message of April 23 from the Secretary of State, which arrived almost in time to "welcome" him. Amazingly, Hurley interpreted it, though, as only confirming his interpretation of the conference with Stalin. He wrote back to Stettinius that there had "never been any doubt" in his mind that Stalin's "present" endorsement meant that time was of the essence in unifying the Nationalists and Communists. This seemed very obvious to him; he only regretted "that the urgency was apparently not so evident to those in the Department handling Chinese matters at a much earlier stage of development."<sup>18</sup>

The Ambassador was also irritated that Service, despite his forced recall from China, continued to influence State Department views on American policy in China. When a memorandum partially based upon reports written by the officer was sent to Washington, Hurley attached a note to explain the "unbiased nature" of the sources. It also provided him with another opportunity to censure Service. He

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<sup>17</sup>Hurley to Secretary of State, April 22, 1945, Hurley Papers.

<sup>18</sup>Hurley to Secretary of State, undated, rough draft, Hurley Papers.

declared that the officer had

shown himself to be very favorably disposed toward the Communists and also on occasion to be most unfriendly to the Nationalist Government of Generalissimo Chiang Kai-shek. It is my impression, which is amply supported by Mr. Service's reports and dispatches, that he cannot therefore be considered as an impartial observer, and I feel obliged to enter this caveat.<sup>19</sup>

After quoting from the officer's report of October 10, 1944, the Ambassador asserted that his directive

was to prevent the collapse of the National Government of China, whereas, Mr. Service was apparently attempting to bring about the downfall of that Government. The second phase of my directive was to harmonize the relations between the American Embassy and the civil government of China. Mr. Service's objective appears to have been to establish that type of relationship not with the National Government but with some other institution or party in China, obviously the Communist armed party in China. Consequently, I could not fulfill my mission and at the same time support the position taken by Mr. Service. My directive did not say in effect "prevent the collapse of the National Government of China and harmonize relations between the American and Chinese military establishments and the American and Chinese civil governments if you find the motives of the Kuomintang to be pure." That would have given me an opportunity to agree with Mr. Service. My directive, however, was unequivocal "to prevent the collapse of the National Government and to harmonize the relations between that government and the American military and civil establishments in China."<sup>20</sup>

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<sup>19</sup>Hurley to Secretary of State, April 30, 1945, Foreign Relations: 1945, VII, 351.

<sup>20</sup>Ibid., 352. Vincent later discussed these comments in a memorandum to Ballentine, concluding: "Mr. Service has proved to the entire satisfaction of CA [Chinese Affairs Division] that he is an exceptionally competent and useful observer and reporting officer. (Incidentally, Ambassador Gauss has spoken highly of his ability in this respect.) Furthermore, a careful comparison of his reports with those of other American and foreign (non-Chinese) observers who have visited the Chinese Communist areas reveals substantial agreement with the majority of them, with respect both to facts

Hurley's irritation would have turned to anger if he had been aware of a State Department memorandum prepared at this time. Harshly critical of the Ambassador, it was proof that the Department's personnel were deeply concerned about Hurley's attitude toward his staff as well as his handling of American policy in China. It was probably also illustrative of the hope that the new President might review this policy and make decisions more in line with the thinking of the Department.

Concerning the Ambassador's approach to American policy, the statement asserted that it was characterized "by an intransigent and inflexible attitude."<sup>21</sup> It had been the Department's

hope that upon General Hurley's return to Washington it would be possible to talk freely and frankly with him on policy matters and to impress upon him the very great importance attached by officers of the Department to a completely flexible and realistic approach to these problems. However, the few conversations had with General Hurley were unsatisfactory and fruitless. Experienced Foreign Service officers and responsible officers of other Government agencies who have recently returned from Chungking share our concern in regard to the enunciation by General Hurley of a policy, which has been described by intelligent observers of the political situation in China as "blank check" support of the Generalissimo and one-party (Kuomintang) government. In our opinion

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and to general appraisal thereof.'" See Foreign Relations: 1945, VII, footnote 21, 352.

<sup>21</sup>Memorandum by Deputy Director of the Office of Far Eastern Affairs Edwin F. Stanton to Under Secretary of State Grew and Assistant Secretary of State Julius C. Holmes, April 28, 1945, Foreign Relations: 1945, VII, 349.

General Hurley's "policy" is increasing Generalissimo Chiang Kai-shek's intransigence in dealing with the problem of internal unification, is unwisely restricting our military aid to China exclusively to the Generalissimo's forces, thereby preventing us from making use of other Chinese forces which might be effectively used against the Japanese. His policy, we believe, is vitiating the influence and leverage we possess to induce the Generalissimo to bring about the military, economic and governmental reforms essential to the establishment of internal unity and stability. In brief, Ambassador Hurley is conducting this Government's relations with China along lines which we do not approve and which we fear will lead China toward internal chaos and serious external complications.<sup>22</sup>

With respect to Hurley's treatment of State Department personnel in China, the memorandum noted that Hurley's remarks during his visit to the United States revealed that

he is extremely suspicious of and entertains a dislike for Foreign Service Officers in China. This antipathy has been confirmed by officers returning from Chungking, who have indicated the serious effect it has had upon their own morale and the morale of the other Foreign Service officers stationed at Chungking and at other posts in China. In consequence, it is becoming increasingly difficult to persuade Foreign Service officers who have served General Hurley to return to China. Of an equally serious nature are the severe restrictions imposed by General Hurley upon political reporting by officers in China. We have definite reason to believe that General Hurley has ordered that only political reports favorable to the Chinese National Government may be made to the Department. This means that the Department will receive restricted and incomplete information concerning developments in China and it is apparent that we can no longer count on receiving factual and objective reports in regard to all (this was underlined in the memorandum) aspects of the situation which the Department must have if it is to conduct its foreign relations in an intelligent and successful manner. It is hardly

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<sup>22</sup>Ibid. Emphasis added.

necessary to add that these restrictions have done much to undermine morale and have engendered a feeling among the Foreign Service officers with experience of Chinese affairs that our relations with China are being seriously mishandled.<sup>23</sup>

Although unaware of this statement, the Ambassador did become furious when he learned of the memoranda which had been sent to the Embassy on February 9 from the State Department and which he had never seen. The views in these reports were distinctly at odds with Hurley's understanding of American policy in China. In addition, Wedemeyer had apparently interpreted the reports as authorization to begin arming the Communists without waiting for military unification of the Chinese forces. Even more provoking was the fact that Hurley had not been told of the memoranda, and that he first learned of them from the military establishment.

The Ambassador's discovery of the memoranda stimulated him to write immediately to the Secretary of State attacking the directives. He pointed out that if the United States began arming the Communists before an agreement had been reached between them and the Kuomintang, or even permitted the Communists to believe there was a chance of doing so, it would encourage such extravagant demands by them that unification would be impossible. Hurley then angrily asserted that the "issue is therefore clear and we must face

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<sup>23</sup>Ibid., 349-50. Emphasis added.

it immediately. We cannot play both ends against the middle and we cannot have a divided American policy."<sup>24</sup> The Ambassador concluded by noting that he had asked Wedemeyer to defer any action until Stettinius replied to this message.<sup>25</sup>

Hurley obviously was not specifically informed that Wedemeyer had been given another similar message to that of February 8 while both of them were in Washington, or he would also have referred to it. The second message, which had come from the Joint Chiefs of Staff, had been prepared by the State Department on January 29, 1945.

This statement put forward the policy that all Chinese forces who were willing to fight the Japanese should be armed "to such extent as may be practicable."<sup>26</sup> It suggested that if operations were undertaken along the China coast, the military authorities should be prepared to arm

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<sup>24</sup>Ibid.

<sup>25</sup>Ibid. This was revised to read that he and Wedemeyer were working closely together to defer any action.

<sup>26</sup>Major General J. E. Hull, Assistant Chief of Staff, to Wedemeyer, February 27, 1945, Hurley Papers; this document is also included in Foreign Relations: 1945, VII, 37-9. According to Foreign Relations: 1945, VII, footnote 51, 37, Hurley was sent a copy of this memorandum on February 9, 1945, but it was not located in the Hurley Papers. Hurley also stated many times that he was not informed of such a statement. See Lohbeck, 340 and Romanus and Sunderland, Time Runs Out, footnote 12, 337.

any Chinese forces which they believed could "be effectively employed against the Japanese, and that they should at an opportune time so advise the Chinese military authorities."<sup>27</sup>

Both as a short-term and long-term objective, the United States was to use its influence to bring about the unity of China, but it did

not necessarily follow that China should be unified under Chiang Kai-shek. However, with regard to the short-term objective, Chiang appears to be the only leader who now offers a hope for unification. The alternative to the support of Chiang for the attainment of our immediate objective might be chaos. With regard to our long-term objective, it is our purpose to maintain a degree of flexibility which would permit cooperation with any leadership in China that would offer the greatest likelihood of fostering a united, democratic and friendly China. Developments in this regard would of course have a bearing on any plans to assist in the peace-time rearmament of China.<sup>28</sup>

Hurley must have been even more vexed when his protest at such proposals brought only another message of the same type from the State Department. It summarized a policy memorandum on China which had been prepared for the San Francisco conference of the United Nations. The major political objectives of the United States were the usual ones of joint prosecution of the war and establishment of a strong, united China, but the methods by which these goals were to be obtained contradicted Hurley's approach.

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<sup>27</sup>Ibid.

<sup>28</sup>Ibid.

Although the United States would continue to support the government headed by Chiang Kai-shek because it "thus far offers the best hope for unification and avoidance of chaos in China's war effort," America's long-range objectives made it necessary to consider the "possible disintegration of the existing government."<sup>29</sup> The United States must, therefore, "aim to maintain a degree of flexibility to permit cooperation with any other leadership which may give greater promise of achieving unity and contributing to peace and security in East Asia."<sup>30</sup> From the standpoint of America's goal of a strong China, assistance in building an effective postwar military organization was also logical. In view, however, of the "uncertain Chinese political situation and its potentialities for civil war and complications with Soviet Russia," the United States was not prepared to give such assistance to the present Chinese government until it was convinced that "the government is making progress toward achieving unity and the solid popular support of the Chinese people."<sup>31</sup>

Grew, the author of the message, concluded the

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<sup>29</sup>Grew to Hurley, May 7, 1945, Hurley Papers; cited in Foreign Relations: 1945, VII, as Memorandum Prepared in Office of Far Eastern Affairs, April 18, 1945, Foreign Relations: 1945, VII, 93-5. Although footnote 28 on page 93 of this volume indicates that a copy of this statement was sent Hurley in instruction No. 133, May 15, 1945, not printed, Feis verifies the date on the copy in the Hurley Papers. See Feis, 292-3.

<sup>30</sup>Ibid.

<sup>31</sup>Ibid.



policy summation by adding in his own words that he felt and was confident of Hurley's agreement

that while retaining fixity of purpose as to our fundamental objectives, it is most important that we maintain complete flexibility repeat flexibility with regard to the means of achieving them and that we make it entirely clear to the Generalissimo and his Government that our support of them is not of the "Blank Check" variety.<sup>32</sup>

He was further convinced that the United States had to make clear to Chiang that it urgently expected the Nationalist government to make thorough-going reforms broadening the basis of government and improving administrative efficiency.<sup>33</sup>

Ironically, the same day that this telegram should have arrived in China, Hurley presented a paper to the representatives of all United States agencies in Chungking on American policy. The Ambassador's statement was a reiteration of the position he had long maintained and an almost complete antithesis to the State Department memorandum. He stressed that the American policy in China of supporting no regime other than the Nationalist government had been declared by Secretary of State Cordell Hull in 1941 and had

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<sup>32</sup>Ibid.

<sup>33</sup>Ibid. During this period, a number of memoranda were prepared in the Department of State which stated even more explicitly the position of the Department concerning the Chinese situation. See Memorandum by Everett F. Drumright (apparently forwarded to Director of the Office of Far Eastern Affairs), May 8, 1945, Foreign Relations: 1945, VII, 380-2.

been continuously reaffirmed in the years afterward. In pursuit of this policy, President Roosevelt had sent him to China in 1944, with the primary directives of preventing the collapse of the Nationalist government and harmonizing American relations with that government. Hurley had been successful in carrying out these two objectives, and was now making good progress on an additional directive--that of unifying all anti-Japanese military forces in China.<sup>34</sup> After discussing the British and Soviet endorsement of American policy, the Ambassador concluded his statement by pointing out that the concepts he had set forth were not "his personal views" but represented "the policy of the President and the Secretary of State of the United States of America."<sup>35</sup>

When Hurley read Grew's message, he responded with a biting telegram inquiring if the policy had been modified or abandoned, since there were obviously points of disagreement between State Department recommendations and his understanding of American policy in China. His reply began with a review of the objectives which had been given him by Roosevelt and his efforts to carry them out.

The Ambassador emphasized that his directive to prevent the collapse of the Nationalist government (which

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<sup>34</sup>Embassy memorandum on Hurley Statement, May 8, 1945, Hurley Papers.

<sup>35</sup>Ibid.

he claimed he had accomplished) had not stated that he should "support the National Government if you find it ideal," and that he was not blind to its many serious defects, as some seemed to believe. The second objective of harmonizing relations with the Nationalist government had made it necessary "greatly to my personal regret, to recommend the withdrawal of both the then Ambassador and the Commanding American general," but it had resulted in "close and very friendly relations with the Generalissimo . . . ." <sup>36</sup>

Hurley had developed "the good will of the Communist leaders," which he had retained by "arranging for their representatives at San Francisco" <sup>37</sup> and by indicating an understanding of their military contribution. <sup>38</sup> He still believed that negotiations could bring unification, which was his third directive. Hurley then asserted that the directives which he had just described were those which "President Roosevelt and you have given me, and which have moreover been endorsed by the message which I received from President Truman in response to the submission to him of my resignation, are those which have continued to guide my every step in China." <sup>39</sup>

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<sup>36</sup>Hurley to Secretary of State, May, 1945, Hurley Papers. This is the first indication that Hurley had any direct role in Gauss' resignation.

<sup>37</sup>This is interesting since he initially had opposed it.

<sup>38</sup>Ibid.

<sup>39</sup>Ibid.

The Ambassador concluded his message by talking about the policy statement which had authorized Wedemeyer to arm the Communists and the similar views which had been expressed in Acheson's telegram of February 28. While agreeing that it was the Charge d'Affaires' responsibility to keep the State Department informed of developments, insofar as he had been able

to ascertain, there had been no repeat no developments whatever in the few days between my departure and the sending of this communication containing recommendations directly at variance with the policy which as previously stated was based on directives from the president himself. At all events Acheson's telegram was made available by the State Department to the War Department and according to General Wedemeyer it was described as a stab in my back on the part of the sender. I have never been informed of the final views of the Department of War on the telegram . . . but it is self-evident that we cannot have a military policy separate from our diplomatic policy; that would not be flexibility but confusion and failure.

I should deeply appreciate it therefore if, having in mind the major issues at stake and the tremendous bearing which they may have not only upon the success of our impending military operations . . . but also on China's future international position and the securing of a stable peace, if you will let me know by telegram at the earliest possible moment whether you consider the foregoing summary an accurate presentation of the facts and whether the directives and policies discussed continue to be those of the President and yourself.<sup>40</sup>

The Ambassador followed up this telegram with a series of messages to the President. On May 13 he wrote a very lengthy one in which he strenuously criticized the imperialist countries, especially Britain, and our extensive

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<sup>40</sup>Ibid.

aid to them. Hurley recommended that American lend lease end as soon as the war was over so that it could not be misused by such countries. Interestingly, the Ambassador felt that the money should be used to improve the standards and salaries of the foreign service personnel.<sup>41</sup>

In another intriguing passage, Hurley pointed out that American policy in China was completely changed, to its benefit, after his arrival. But in modifying the United States position, he had "incurred the opposition of the imperialistic nations and not a little opposition from our own diplomatic and military representatives, a number of whom have been removed and are now in Washington where they have an opportunity to continue to snipe at the American policy."<sup>42</sup> This telegram merely brought another brief reply from Truman, stating that he appreciated Hurley's "frank statement" of the situation in China, "as he saw it."<sup>43</sup>

A few days later, a second message, nine pages long, was sent to Truman by the Ambassador. Although primarily concerned with the threat of imperialism, Hurley also discussed other problems which had been affecting and continued

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<sup>41</sup>Hurley to Truman, May 13, 1945, Hurley Papers.

<sup>42</sup>Ibid.

<sup>43</sup>Truman to Ambassador, undated, Hurley Papers.

to affect American policy.<sup>44</sup> He once again vigorously defended support of Chiang Kai-shek and his government as the keystone of United States policy. Roosevelt had been fully aware "of all the imperfections and shortcomings of the National Government and of all the difficulties encountered by American officials in their relations with Chiang Kai-shek."<sup>45</sup> In face of all these facts, the President had said that he "knew of no other regime or government or of any other leader in China from whom he could expect more support and cooperation than we were receiving from the National Government and from Chiang Kai-shek."<sup>46</sup>

The Ambassador then pointed out that when he went to China the Nationalist government was under "an inspired attack in the American press and radio . . . ."<sup>47</sup> This assault had had "the support of American officials who had been removed in China."<sup>48</sup> It was also assisted by "ideological propagandists and crusaders against the American

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<sup>44</sup>A week after this message, the Ambassador again wrote the President about opposition to American policy by imperialistic nations. See Hurley to President, May 28, 1945, Hurley Papers.

<sup>45</sup>Hurley to President, May 20, 1945, Hurley Papers.

<sup>46</sup>Ibid.

<sup>47</sup>Ibid.

<sup>48</sup>Ibid.

ideology, some few of them had been serving as war correspondents in China."<sup>49</sup> Despite this, even "the most skeptical" had to admit that the United States (in the person of Hurley) had succeeded in preventing the collapse of the Nationalist government, in harmonizing relations between China and America, and in keeping the Chinese Army in the field.

The Ambassador continued with an extensive list of American accomplishments, implying that most of them were also of his doing. He ended by asserting that these achievements had resulted from the vigorous implementation of America's policy to support the Nationalist government. They could

never have been accomplished by the individuals who mistakenly opposed and weakened the National Government, who desired to have America recognize the Chinese Communist armed party . . . and unite our forces with the Communist party thereby eliminating the National Government. If these well meaning but misguided Americans, who seemed not to understand America's true policy in China, had succeeded, the Chinese National Government would have collapsed. Chaos and civil war, in my opinion, would have ensued and America would have failed in China.<sup>50</sup>

Shortly after sending the message, a new alienating episode occurred between Hurley and the career officers in the Embassy. Although he had initially felt his position much improved by not only removal of the men whom he thought had opposed him, especially Service and Atcheson, but also

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<sup>49</sup>Ibid.

<sup>50</sup>Ibid.

"the support and loyalty of the new men" the Department had assigned to the Embassy,<sup>51</sup> it did not take long for hostility to erupt again. The Foreign Service Officers were still bothered by the Ambassador's tactics and continued to advocate a flexible and realistic approach to China. Hurley, despite the changes in personnel, would soon again suspect the professionals of trying to humiliate him and defeat his policy.<sup>52</sup>

On May 22, the Ambassador was informed by Ellis O. Briggs, Atcheson's replacement, that two staff members, Robert L. Smyth and Arthur R. Ringwalt, had shown irritation, to the extent of using the phrase "dishonest reporting," about the editing which Briggs had made in their reports. Briggs explained to Hurley that his purpose in editing "had been to remove from such messages what seemed to be a 'slant' deliberately hostile to the Kuomintang."<sup>53</sup>

Upon hearing this, the Ambassador asked Briggs to invite Smyth and Ringwalt to his house for a meeting the following day. At the conference, Hurley explained his policy in China. He also declared that political officers were free to report to the State Department anything they

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<sup>51</sup>Hurley to Secretary of State, May 14, 1945, Hurley Papers.

<sup>52</sup>Feis, 273.

<sup>53</sup>Hurley to Secretary of State, May 14, 1945, Hurley Papers.



wished, but if he could not approve a given message, it had to be submitted to the State Department under the name of the officer, placing responsibility upon him.<sup>54</sup>

Smyth and Ringwalt made no rebuttal to the Ambassador's dictum, and Hurley was again hopeful that his authority was secure. To make certain, he issued on May 25 another policy statement (similar to the one of the 8th) reemphasizing America's commitment to the Nationalist government.<sup>55</sup>

Neither the Ambassador's reprimand of Smyth and Ringwalt nor the policy statement, however, alleviated the problem. In a few days, on May 30, the two officers prepared a report which angered Hurley. Although they carefully pointed out that their memorandum was "not concerned in any way with questions of policy," and that they wished "merely to report as of interest information received from such varied Chinese sources . . . that we feel it should not be ignored,"<sup>56</sup> the data presented was irritating to the Ambassador.

The report included information that fighting between the Nationalist and Communist forces was intensifying and open

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<sup>54</sup>Ibid.

<sup>55</sup>Statement of the Policy of the U. S. in China, May 25, 1945, Hurley Papers.

<sup>56</sup>Hurley to Secretary of State, June 9, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 406-10.

civil war, increasing in scope and violence, was anticipated. The sources of this data were pessemistic partially because of their belief that the attitude of the ruling clique in the Kuomintang, despite public statements to the contrary, was deadset against a peaceful settlement with the Communists. Several informants had reported to the career officers that Chiang, in secret addresses to the Kuomintang, had "coupled the Communists with the Japanese as enemies of the state who should be shown no mercy."<sup>57</sup>

Smyth and Ringwalt ended the report by stating that their sources felt that

both Kuomintang and Communists are convinced that as long as what they consider to be the present U. S. policy of unlimited support of the Kuomintang continues, there is no possibility of peaceful settlement and both parties are becoming increasing intransigent in their attitudes toward each other.<sup>58</sup>

Neither side, in fact, now seemed adverse to open conflict.<sup>59</sup>

Hurley was enraged by this report not only because it contained information which he vehemently denied but perhaps even more by the fact that it seemed necessary for him to forward it to the State Department because of his recent statement on the freedom of reporting. He was determined, therefore, to belittle both its contents and authors. He called a special staff meeting to which the members of the military establishment, including General Wedemeyer, were

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<sup>57</sup>Ibid.

<sup>58</sup>Ibid.

<sup>59</sup>Ibid.

also requested to attend.

Each one present was asked to comment on the Smyth-Ringwalt report. The military personnel agreed that although sporadic clashes between the "Communist and guerilla troops" had been occurring over a period of years, they had not assumed the proportion of civil war; in fact, these clashes were less serious than they had been three months ago. During the meeting, the Ambassador also pointed out that the Generalissimo was using his best efforts to avoid civil war, and the military officers present confirmed that orders had been given by the Nationalist government "to make every effort to avoid engagements with the Communist forces."<sup>60</sup>

Faving this united front Ringwalt (Smyth was unable to attend) was questioned concerning the sources of his information, but he "declined absolutely to identify them."<sup>61</sup> The discussion which followed tended to discredit some of the informants, at least in Hurley's mind, because they were staunch opponents of the Nationalist government. After this analysis, the Ambassador stated that he wanted General Wedemeyer to understand that the American forces and the American Embassy in China were a single team dedicated to the promotion of United States policy as defined by the President and the Secretary of State. Any military information which might be received by the Embassy in the future

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<sup>60</sup>Ibid.

<sup>61</sup>Ibid.

would be made available to the military for evaluation and interpretation which would then be included with the report. Wedemeyer concurred and the meeting adjourned.<sup>62</sup>

A summary prepared by Hurley of the meeting became the basis of the statement which he sent with the Smyth-Ringwalt report. He also pointed out that he was forwarding the report "in accordance with my policy of giving full freedom to my reporting officers, even though I may not concur in their reports."<sup>63</sup> The Ambassador concluded his comments by harshly asserting that both

Ringwalt and Smyth know that the rumors they report to the effect that the U.S. policy is to give "unlimited support to the Kuomintang" are untrue. They know that I conferred with the Communists and, since that time, have done so almost continuously. They know that I have made two visits to Russia for the sole purpose of finding a solution of the Communist problem in China and bringing harmony in the relations between China and Russia. They know all these facts and yet they apparently persist in the old diehard attempt to bring about the collapse of the National Government of China.

For my part, I believe that the Communist controversy can be settled satisfactorily and without civil war if some of our American ideological crusaders will permit the American Government policy to become effective.<sup>64</sup>

Instead of ending the controversy, this development only intensified it. Neither of the Foreign Service Officers, especially Smyth, were happy that Hurley had transmitted the

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<sup>62</sup>Ibid.

<sup>63</sup>Ibid.

<sup>64</sup>Ibid.

message with his commentary. Smyth, who had been unable to attend the conference, had even requested the Ambassador to defer sending the telegram until the officer had had an opportunity to investigate further. Hurley had denied the request because, as he noted in his statement, "of the previous insistence of the authors of the report that it be sent at the earliest possible moment and their further insistence at that time 'on taking the responsibility for the report.'"<sup>65</sup> He had added, however, that Smyth should not be held as accountable as Ringwalt.<sup>66</sup>

Some of the other members of the Embassy staff were also concerned by this dispute and further expressions of dissatisfaction were reported to the Ambassador by Briggs. Another staff meeting was consequently called at Hurley's house on June 18 to discuss reporting by the political officers of the Embassy. It was a long conference which did not really clear the air; instead, it added fuel to Hurley's anger.

When Smyth was asked by the Ambassador to state his case, he replied that he wished to make it clear that the political officers of the Embassy, Ringwalt, Freeman, Biggerstaff, and he, were not concerned with the making of policy but the reporting of political data which they felt was of interest to the State Department. He further explained

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<sup>65</sup>Ibid.

<sup>66</sup>Ibid.

that the political officers had also endeavored to show that the information which they set forth was the opinion of their informants, rather than the opinions of the drafting officers.<sup>67</sup>

Later in the meeting Ringwalt asked whether any reports that had been submitted to the Ambassador were still pending. Briggs replied that there was one such message. Ringwalt then asked if he could see the message, which had included the May 30 report and Hurley's comments, in the form in which it had been sent, but he later withdrew his request. At that moment, Smyth added that the information in that memorandum had been obtained from sources which he did not feel should be ignored.<sup>68</sup>

Hurley's response was to restate his position that he did not desire to restrict his officers in their political reporting, but that he had to reserve the right to express his own opinion or evaluation should the report present rumors, unconfirmed information, or material which he believed was at variance with the facts. The Ambassador continued with a discussion of his directives which he asserted were "clear" to every officer of the staff.

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<sup>67</sup>Memorandum of Conversation of Hurley and Foreign Service Officers, June 18, 1945 by EOB [presumably Briggs], Hurley Papers.

<sup>68</sup>Ibid.

Smugly referring to his accomplishments, he pointed out that his predecessors appeared to have achieved very little if anything toward the unification of China. Apparently the previous policy of the Embassy had been "merely to sit, observe, and report"--reports which were highly unfavorable to the Nationalist government.<sup>69</sup> Negotiations with the Communists were next discussed, and Hurley asserted that he was the best friend the Communists had in China, despite "leftist" criticism to the contrary. He went on to say that the "leftist press in the United States, abetted by a former Foreign Service Officer now apparently engaged in trying to undermine the policy of the American Government in China, is demanding to know why, since the American Government armed the Red Army of Russia it has refused to arm the Red Army of China."<sup>70</sup>

The Ambassador then asked the political officers, since they "seemed to be of the same mind," what the fallacy was in this question.<sup>71</sup> Ringwalt and Freeman replied similarly that they were not in a position to answer. Biggerstaff stated that without being informed on the historical background, he did not feel he could make an answer. Smyth said he did not know. Hurley then declared that the answer was that the United States did not arm the Red Army

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<sup>69</sup>Ibid.

<sup>70</sup>Ibid.

<sup>71</sup>Ibid.

of Russia but the recognized government.<sup>72</sup>

During the course of the meeting, the Ambassador also discussed John Service, who was then under arrest charged with having made available classified and secret information, and John Davies. Referring to certain editorials that had charged him with "purging" Foreign Service Officers, Hurley stated that he had obtained the removal of two officers, Davies and Service, from China because an "examination of their reports convinced him that these were so hostile to the National Government of China as in effect to constitute efforts to overthrow" it.<sup>73</sup> He wanted to make it clear, however, that whatever charges had been brought against Service had not been on his initiative. The Ambassador knew, though, that there were "officers in the Chinese Division of the State Department who appear not to be in sympathy with the objectives of the American Government as set forth by Presidents Roosevelt and Truman and by Secretaries Hull and Stettinius."<sup>74</sup> These officers had been attacking and endeavoring to undermine him, and they appeared to be receiving some "sympathy if not support from certain officers of the American Embassy in Chungking."<sup>75</sup>

Perhaps in response to the attack Hurley had just

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<sup>72</sup>Ibid.

<sup>74</sup>Ibid.

<sup>73</sup>Ibid.

<sup>75</sup>Ibid.



delivered as well as in defense of the earlier report he and Ringwalt had submitted on the topic, Smyth turned to the reports of armed outbreaks between the Communists and Nationalists, stating that the information should not be ignored. Ringwalt then presented a map as further verification of their report. It had been prepared on June 13 by Colonel Dickey of G-2 and showed both the movement of Communist troops in recent weeks and where current clashes between the Communists and Nationalists had occurred. As soon as the Ambassador examined the map, he stated that it "perfectly illustrated what might be the result of the leak of information contained in the January 29 policy paper, which authorized our military to arm the Communists should a landing be made."<sup>76</sup>

Smyth, Ringwalt and Freeman made the observation, however, that the Communists could have made their moves by merely deducing, on the basis of their geographical knowledge, where American landings would probably be made. Hurley replied that he was making no specific charges at this time, but if there had been a leak, it was an exceedingly serious matter. What the officers had hoped would be confirmation of their position had thus become, in Hurley's mind, only further evidence to support his suspicions. He

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<sup>76</sup>Ibid.

sent several messages inquiring about this "leak," but nothing conclusive or even relevant was ever revealed.<sup>77</sup>

Despite lack of proof that the Foreign Service Officers were undermining him and American policy, Hurley's distrust of them continued to build. Several additional incidents also occurred during this controversy which contributed to his growing sense of paranoia. Hurley continued to be irritated that he was not included in all decisions concerning China. When the Department of the Treasury recommended to China economic plans to stabilize its currency and combat inflation without consulting the Ambassador, he immediately wrote the Secretary of the Treasury. Although favoring the proposals, Hurley asserted that he "would have felt much better about the situation if you had asked my reaction on your suggestions before you were committed to the transaction rather than after it had been completed."<sup>78</sup>

A Congressional critic further aroused Hurley's rancor. Senator William Langer of North Dakota wrote the State Department a rather caustic letter of inquiry about the Ambassador. Asserting that Hurley was being paid by Sinclair

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<sup>77</sup>Later Hurley would testify that he discovered that the Communists had received the plan officially from John Stewart Service. See "Davies Hearings," June 28, 1954, 8-9, Hurley Papers.

<sup>78</sup>Hurley to Secretary of the Treasury, June, 1945, Hurley Papers.

Oil Company for professional services as an attorney, the Senator wanted to know about any recent activities of the Ambassador in the Middle East. He also requested information about a necklace, reportedly valued at \$50,000, given to Mrs. Hurley by the Chinese Ambassador in Washington and inquired whether United States laws did not prohibit government officials from accepting gifts from a foreign government. The letter concluded with Langer asking if Hurley had had John Service transferred from China because the opinions of the young officer had differed drastically from his own.<sup>79</sup>

The Ambassador's reaction to this letter which Grew forwarded to him must have been explosive. It was Grew, though, who replied to Senator Langer defending Hurley. The Acting Secretary of State made no comment as to the Ambassador's relationship with Sinclair Oil Company and merely stated that Hurley had not been traveling in the Middle East. Although the State Department had no confirmation that a necklace had been presented to Mrs. Hurley by the Chinese Ambassador,<sup>80</sup> United States laws did not prohibit the wife of a government official from accepting a gift from a foreign ambassador. As to the relationship between Hurley and Service,

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<sup>79</sup>Senator William Langer to Grew, Acting Secretary of State, June 13, 1945, Hurley Papers.

<sup>80</sup>A memorandum in the Hurley Papers stated, however, that the Ambassador had given Mrs. Hurley a necklace, but its value was stated as worth only \$1,600.

Grew stated that it was the normal one usually found between "a Chief of Mission and a subordinate Foreign Service Officer," and the "implication in your letter that Ambassador Hurley caused Mr. Service to be transferred out of China is unfounded. Mr. Service was transferred from Chungking to Washington by the Department to do a job in Washington."<sup>81</sup>

The Ambassador was also concerned at this time about the lack of progress in the Nationalist-Communist negotiations. He had been disappointed to learn, upon his return to China, that both parties still clung to approximately the same positions they had held when he left two months earlier. This should not have been too surprising, though, since he had received word while in Washington that no headway was being made and that the Communists had rejected the latest offer by the Nationalists.<sup>82</sup> Hurley had sent a message to

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<sup>81</sup>Grew to Langer, July 2, 1945, Hurley Papers. This last statement adds another element of confusion to the complex story of Hurley's relationship with the Foreign Service Officers.

<sup>82</sup>On March 1, Chiang Kai-shek had announced plans to convene a People's Congress in the coming November to prepare for the introduction of a constitutional government, promising that when this was done, all political parties would have legal status and enjoy equality. The Communists had rejected the entire program. When Chou sent a message to Hurley to explain the reasons for the rejection, he had criticized the proposed People's Congress as being "deceitful, China-splitting and one-party controlled." See Chou to Hurley, March 9, 1945, sent by Atcheson to Hurley on March 12, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 268-9.

the Communists urging them to delay a final conclusion until his return so that he could discuss the matter with both sides.<sup>83</sup>

He had remained hopeful that a solution could be found. In his first press conference after his arrival in China, he had stated that he had "very deep respect" for the Chinese Communists and believed that their motives were good.<sup>84</sup> The review of the situation which he had sent to Truman a few weeks later was also optimistic, as well as quite complacent:

We have been instrumental, if not the prime movers, in having Chiang Kai-shek make beneficial personnel changes in the National Government. We have urged the Generalissimo and the National Government to inaugurate the action now taking place for the adoption of a democratic constitution; the liberalization of government and the inauguration of democratic processes. We have succeeded in having the National Government recognize the Chinese Communist armed party as a political party by appointing a Chinese Communist as a delegate to represent the National Government at San Francisco. The Communists recognized the National Government by accepting the appointment. We have visited with the Communist leaders in their own territory. We have brought about conferences between the Communist and Nationalist leaders in which they seem to have eliminated some of their conflicts . . . . Russia's approval for unification of the armed forces of China and the fact that Chiang Kai-shek is now working for unification indicates the possibility of a satisfactory solution.<sup>85</sup>

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<sup>83</sup>Hurley to Chou through Acheson, March 14, 1945, Foreign Relations: 1945, VII, 279. See also Feis, 276.

<sup>84</sup>U. S. Office of War Information, April 28, 1945, Hurley Papers.

<sup>85</sup>Hurley to President, May 20, 1945, Hurley Papers.

As summer came and the Communists and Nationalists remained no closer than they had been in February, Hurley must have been frustrated. Continuing reports of hostilities between the two sides were also disrupting. Despite such warning signals, Hurley remained optimistic.

When a number of articles appeared in the Communist paper in Chungking accusing the Kuomintang of attacking Communist troops, the Ambassador interpreted them as merely the efforts of "propagandists to fan the Chinese Communist and National Government controversy into civil war."<sup>86</sup> In a telegram to Washington about these articles, he stressed that the Nationalist government was "endeavoring to avoid clashes of all kinds." He was "still of the opinion that we can avoid civil war and bring about the unification of the armed forces of China."<sup>87</sup>

Hurley was delighted a few days later, therefore, when both the Nationalists and Communists suddenly demonstrated renewed interest to meet again. Earlier, the Sixth Congress of the Kuomintang had adopted a series of resolutions calculated to demonstrate the sincerity of the

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<sup>86</sup>Hurley to Secretary of State, June 12, 1945, Hurley Papers. Hurley sent a similar message to the Secretary of State on June 19, 1945. See Foreign Relations: 1945, VII, 415-6.

<sup>87</sup>Ibid.

Kuomintang and prepare for constitutional government.<sup>88</sup>

Hurley felt that the new program was encouraging, although he did mention that there were rumors that the liberal elements had been disappointed with some of the developments.<sup>89</sup>

After the Congress concluded, a committee of seven was appointed late in June to negotiate with the Communists. The Nationalist government then sent a message to Mao and Chou offering to have this committee meet with the representatives of the Communist party to bring about unification of the armed forces of China. The government offered to recognize the Communists as a political party but still refused to acknowledge their right to maintain their own armies.<sup>90</sup>

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<sup>88</sup>Hurley to Secretary of State, May 23, 1945, Hurley Papers. These measures provided that: (1) all Kuomintang party headquarters in the army and the schools would be abolished within three months; (2) within six months local representation councils would be established in all provinces and districts in free China on the basis of popular elections; (3) a law to give legal status to political parties would be promulgated, under which it was hoped that the Communist Party would qualify; (4) agrarian reform measures which would improve the position of peasant farmers, reduce rents, and improve the land tenure and taxation system would be carried out; (5) a national assembly would convene on November 12, 1945. See Hurley to Secretary of State, June 16, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 413-6.

<sup>89</sup>Hurley to Secretary of State, June 16, 1945, Hurley Papers.

<sup>90</sup>Hurley to Secretary of State, June 23, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 416-7.

Although the Communists did not answer immediately and radio broadcasts from Yen-an indicated some opposition to further negotiations, Hurley remained hopeful. As if in response to this optimism, Chiang received word on June 23 from Mao and Chou stating that they were ready to resume negotiations with the government and asking that the committee come to Yen-an so that the possibility of an agreement between the Nationalists and Communists could be discussed.<sup>91</sup>

In his report to Washington telling of this development, the Ambassador asserted that although the Communists had "unquestionably been endeavoring recently to bring about clashes between the Communist troops and those of the Nationalists," the importance of these had been exaggerated.<sup>92</sup> Moreover, the

logic of events seems to now be convincing the Communists that their best interests as a political party may be served by coming to an agreement with the National Government rather than attempting to destroy it. The decision to resume negotiations does not mean that the conflict has been solved. The end is not as yet in sight but the situation seemed definitely improved.<sup>93</sup>

For a while it looked as though Hurley were right and some progress might be made. He met separately with the committee appointed by the Nationalist government and a

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<sup>91</sup>Ibid.

<sup>92</sup>Ibid.

<sup>93</sup>Ibid.



local representative of the Chinese Communists. To both he urged that they forget their partisanship and work together to create a free, united, and democratic China.<sup>94</sup> When the Kuomintang asked him for assistance, Hurley responded that he would be glad to participate in the discussions, if both sides so decided. He also offered plane transportation to Yen-an for the committee.<sup>95</sup>

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<sup>94</sup>During his meeting with Hurley, the Communist representative stated that the five-point program proposed by the Communists would still be acceptable as the basis for reopening negotiations although they would like to have their four points accepted first. The Ambassador rejected the representative's request to try to persuade the Generalissimo to agree to the four points and stated his belief that the five-point program, with some alterations, would probably be agreeable to the Nationalists as the starting point for negotiations. He also felt that the five points of the Communists and the three-point proposal of the Nationalists, would provide a foundation for agreement. See Memorandum on Kuomintang-Communist Relations to Secretary of State, June 29, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 426-8. This meeting was additionally interesting in that the Ambassador discussed recent criticism of him by the Communists, both privately and publicly. He labeled their accusations as unjust and untrue and asserted that he had been and was the best friend the Chinese Communists had in Chungking. In addition, he realized that much of the "abuse" was coming from people "who wished for their own selfish reasons to prevent the creation of a free, united, democratic and strong China." Ibid. At that moment, the Communist representative stated quite candidly that the party supported democratic principles only as a stepping stone to a future communistic state. This assertion seemed to have no affect on Hurley, and the discussion continued. Ibid.

<sup>95</sup>Ibid. See also Relations With China, 103-4.

Meanwhile, the long planned conference between Moscow and China was rapidly approaching, and the Chinese had still not been informed of the Yalta agreement. On May 10, Hurley had written Truman discussing this matter. He had told the President that he was "convinced" that Chiang Kai-shek would agree to "every one of the requirements of the Yalta settlement, but that he would object to the use of the two words "pre-eminent" and "lease" as these words had bad connotations in China from past experiences.<sup>96</sup> The Ambassador had also urged that the Generalissimo be officially informed of this agreement as soon as possible.<sup>97</sup>

When this message arrived in Washington, the administration was in a quandary about what American policy in the Far East should be since it was becoming more and more evident that the Yalta agreement had not been necessary.<sup>98</sup>

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<sup>96</sup>Hurley to President, May 10, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 865-9. It should be noted that Hurley never indicated any of the strong opposition to Yalta, "as the greatest of diplomatic tragedies in the history of the United States," which he will later testify that he felt. See Hurley's discussion of Averell W. Harriman's book in Hurley Papers.

<sup>97</sup>He pointed out that the Chinese Ambassador in Washington had informed Chiang, but somewhat inaccurately, of all the items in the agreement except the primary Soviet promise. In addition, news of Russia's military measures in the Far East was reaching Chungking, and the Chinese government was almost certain that Russia was going to enter the war. Secrecy, was, therefore, losing all point. See Hurley to President, May 10, 1945, Hurley Papers.

<sup>98</sup>On May 12, Acting Secretary of State Grew prepared a memorandum for the War and Navy Departments asking these

While the question of whether the Far Eastern provisions should be maintained was being debated, it was thought best to postpone the enlightenment of Chiang Kai-shek. The President told Hurley, therefore, that it was not appropriate at the present time for him to give any information to the Chinese about Yalta, and that he would be told to go ahead as soon as it was felt that full information could be disclosed to the Generalissimo without damage to the overall plan.<sup>99</sup>

As a result of much thinking and consultation, it was decided not to attempt a revision of the terms of the Yalta agreement but before asking Chiang Kai-shek to concur, the United States would try to get Stalin to reendorse protective principles. It was decided to send Hopkins to Russia on this crucial mission. Hopkins returned convinced, and Ambassador Harriman who also participated in the talks agreed, that Stalin genuinely intended to work with America

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two questions: (1) Is the entry of the Soviet Union into the Pacific war at the earliest possible time of such vital interest to the United States as to preclude an attempt to obtain Soviet agreement to certain desirable political objectives in the Far East before such entry and (2) should the Yalta decision in regard to Soviet political desires in the Far East be reconsidered or carried out in whole or part. See Grew to the Secretary of State, May 15, 1945, Foreign Relations: 1945, VII, 870; Stimson to Grew, May 21, 1945, Foreign Relations: 1945, VII, 876-8; and Grew to Forrestal, May 21, 1945, Foreign Relations: 1945, VII, 878-83. See also Joseph Grew, Turbulent Era (New York, 1952), II, 1455-6.

<sup>99</sup>President to Hurley, May 12, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 868-9.

in bringing about a unified China under the Generalissimo's leadership and that he would abide by the Yalta accord as it was understood in Washington.<sup>100</sup>

Hurley was alerted, therefore, to expect instructions in the near future to obtain Chiang's approval of a military-political matter that would change "radically and favorably" the course of the war against Japan.<sup>101</sup> The next day a message arrived from Ambassador Harriman stating that Stalin would discuss the Yalta agreement with T. V. Soong upon his arrival in Moscow and that Hurley was expected to support it in Chungking.<sup>102</sup>

On June 9, a message was sent informing the Ambassador that he was to explain the accord to the Generalissimo and obtain his approval.<sup>103</sup> Hurley was also to make certain

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<sup>100</sup>Memorandum of Conversation by Charles E. Bohlen, Foreign Relations: 1945, VII, 887-91. See also Feis, 308-11; Robert Sherwood, Roosevelt and Hopkins: An Intimate History (New York, 1948), 902-3.

<sup>101</sup>Truman to Hurley, June 4, 1945, Hurley Papers.

<sup>102</sup>Harriman to Hurley, June 5, 1945, Hurley Papers.

<sup>103</sup>Hurley was to tell Chiang that Stalin had assured the American government that he would do everything possible to bring about unification of China under Chiang, that he concurred that the Generalissimo's leadership should continue into the post-war period, and that he agreed to recognize Manchuria as a province of China, free of all Russian territorial claims. The conditions laid down by Russia for its entrance into the war, in the phraseology of the Yalta accord were also specified. The Ambassador was also to point out that Roosevelt had promised to support the Soviet claims and that President Truman was in agreement. See Secretary of State to Hurley, June 9, 1945, Hurley Papers; also in Foreign

that Soong went to Moscow for his scheduled conference with Stalin.<sup>104</sup>

The Ambassador waited impatiently for June 15 to come so that he could tell Chiang what had to be told.<sup>105</sup> When the day arrived, he presented the Yalta agreement to the Generalissimo in a formal conference. The exact reaction of Chiang is unknown,<sup>106</sup> but he did make some suggested adjustments. Hurley transmitted them to Truman on the same day, commenting that they seemed excellent to him. In general, Chiang wanted the United States and Britain to be partners to the Sino-Soviet agreement.<sup>107</sup>

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Relations: 1945, VII, 897-8.

<sup>104</sup>Ibid. T. V. Soong was shown this message in the United States before it was sent. He had long been making inquiries concerning the agreement, Hopkins' mission, and Soviet entry into the war.

<sup>105</sup>He was quite irritated that Soong had been informed and yet he could not tell the Generalissimo. Moreover, Chiang knew that Russia was planning to enter the war. On June 13, he cabled Stettinius that the Soviet Ambassador to China had told the Nationalists, on the previous day, the conditions upon which Russia would enter the war but had not mentioned the assurances which Stalin had given Hopkins. Hurley felt it was pointless to wait any longer since this had occurred, but he stated (undoubtedly with annoyance) that he would remain silent in accordance with his instructions. See Hurley to Stettinius, June 13, 1945, Hurley Papers, also in Foreign Relations: 1945, VII, 900-1.

<sup>106</sup>The Ambassador would later testify that Chiang's reaction seemed to indicate that he felt both hurt and betrayed. After asking to have the agreement repeated to him, the Generalissimo said that he was terribly disappointed. See Military Situation, III, 2417-31.

<sup>107</sup>He especially recommended that: (1) the United States and Britain become parties to whatever agreement China

The President discussed Chiang's proposals with Grew, but both felt that they could not be accepted without the approval of the Soviet and British governments.<sup>108</sup> In a cable that Grew sent to Hurley after this discussion, the Ambassador was told to inform the Generalissimo that the American government would not consent to his suggestions.<sup>109</sup>

Apparently both Chiang and Soong were disappointed with the position of the United States. At a conference with the two men on the 22nd to discuss Soong's mission to Russia, they expressed fear that China would have to pay for its agreement with the Soviet Union. Hurley, as usual, was optimistic, that an agreement between the two nations could be reached quickly.<sup>110</sup> Shortly after this session, Soong left for Moscow.

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might sign with the Soviet Union; (2) Port Arthur be designated a joint naval base for the four great powers--China, Soviet Union, United States, and Great Britain, and (3) the transfer of Sakhalin and the Kuriles to the Soviet Union be discussed by the same four powers rather than by China and Russia alone. See Hurley to Truman, June 15, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 903-4.

<sup>108</sup>Feis, 315.

<sup>109</sup>Grew pointed out that it seemed doubtful whether Russia would consent to the arrangements that Chiang suggested since the purpose of the pact with China was to be the regulation of Sino-Soviet relations. See Grew to Hurley, June 18, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 907.

<sup>110</sup>Hurley to State Department, June 27, 1945, Hurley Papers.

Not long after Soong's departure, Hurley's efforts to reopen negotiations between the Chinese Communist Party and the Nationalist government were successful. The committee appointed by the Nationalists went to Yen-an on July 1, but little progress toward an agreement was made. When the committee returned to Chungking, it brought only more proposals from the Communists. They requested that the Nationalist government: (1) call off or postpone the National Assembly scheduled for November 12 and (2) summon a political conference, composed of representatives of the Kuomintang, the Communists, and the Democratic League, on a basis of equality, to decide the time for the termination of Kuomintang rule and the organization of a coalition government and to set up a program for the new government.<sup>111</sup> Chiang believed that these proposals represented a "deep laid plot" by which the Communists expected to get control of the government, but Hurley was of the opinion that the Communists were only "playing for time awaiting the results of the Soong Conference at Moscow."<sup>112</sup> In a message to the State Department discussing the recent negotiations the Ambassador pointed out that he had advised Roosevelt more than a year before that the Nationalist-Communist controversy in China could not be

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<sup>111</sup>Hurley to Secretary of State, July 10, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 430-3.

<sup>112</sup>Ibid.

settled until the Soviet attitude toward the Chinese Communists was known, and he was still convinced that the influence of Russia would control the action of the Chinese Communist Party. Only when the Chinese Communists were "convinced that the Soviet (sic) is not supporting them," would they settle with the Nationalist government, and then only if the government was "realistic enough to make generous political concessions."<sup>113</sup>

Hurley was hopeful, therefore, since he believed the Kuomintang at last clearly recognized the need to change both the form of government and many of its policies. Consequently, if Russia signed an agreement with the Nationalist government, the Chinese Communist Party would "eventually participate as a political party in the National Government."<sup>114</sup>

Although the Ambassador remained optimistic, the events of the past few months, on top of the ordinary tensions which characterized his stay in China, were taking their toll. Hurley was not a young man, and he had gone to China hoping for a grand finale to a successful career. Instead of the praise he had expected and desired, he was receiving criticism. More and more he was suspecting everyone around him of plotting to destroy him and his mission.

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<sup>113</sup>Ibid.

<sup>114</sup>Ibid.



The Ambassador revealed this growing paranoia in a note he scribbled across a transcript of a press conference held on June 29, 1945. Hurley wrote: "General Wedemeyers (sic) remarks were corrected and edited (sic) my (sic) Mine were not submitted to me atal (sic) and were not corrected or edited and no (sic) even well reported."<sup>115</sup>

At approximately the same time, he wrote a letter to Wedemeyer in which he openly expressed his suspicions both generally and specifically. He told the General that "ideological crusaders" had accused him of going "all-out" for Chiang, and "the communists and other political crusaders, who are assigned as war correspondents," had charged him with being imperialistic.<sup>116</sup> Certain members of Wedemeyer's staff had also been critical, and even members of his own staff, who "refused to understand or support the American policy in China" had been attacking him.<sup>117</sup> After characterizing his critics, Hurley reiterated that the policy of the United States was, as it had been since before World War

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<sup>115</sup>Handwritten note, dated June 30, 1945, on transcript of press conference held on June 29, 1945, Hurley Papers.

<sup>116</sup>This last phrase was crossed out. See Hurley to Wedemeyer, undated, rough draft, Hurley Papers.

<sup>117</sup>Ibid.

II, to support only the Nationalist government and no other.

While the exact contents of the letter as it was sent are not known, apparently the Ambassador leveled more specific charges of disloyalty to him and American policy against some of Wedemeyer's officers.<sup>118</sup> Hurley must also have expressed regret that the General, whom he "loved," was not always as cooperative as he should have been.

Wedemeyer responded to the Ambassador's comments the following day. He wrote Hurley that not everyone was against him and that many were supporting him loyally. Everyone "who matters knows that you are carrying out your directives from the President."<sup>119</sup> The General then told Hurley that as ambassador he had accomplished the basic tenets of his mission. Moreover, Wedemeyer had "repeatedly made this statement to those with whom" he came in contact.<sup>120</sup>

The specific criticisms which Hurley had voiced were then turned to by the General. Concerning his relationship with the Ambassador, Wedemeyer "reciprocated fully" the feeling which Hurley had for him. And, as the Ambassador suggested, he had talked with Walter Robertson, of the embassy

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<sup>118</sup>Wedemeyer later recorded that Hurley had also "cast aspersion on the loyalty" of General Robert B. McClure and Colonel David Barrett. Wedemeyer, 306.

<sup>119</sup>Wedemeyer to Hurley, July 10, 1945, Hurley Papers.

<sup>120</sup>Ibid.

staff,

concerning matters that disturbed you. Personally I am sorry if and when through oversight (I will never agree with intent) I offend you in any way. When my officers do not comply with my desires in connection with full, free and frank exchange and cooperation with the American Embassy, I feel responsible and will take appropriate steps.

With reference to Dickey, it is most difficult for me to accept that he is not being loyal to you and through you to the U.S. policy in this area. With reference to George Olmsted, again it is difficult for me to understand how a man of his character and ability could intentionally fail to cooperate wholeheartedly with you and your staff members. However, you have alerted me to such possibilities and I will take appropriate steps . . . .121

In response Hurley thanked Wedemeyer for "his fine letter," which gave him the "courage to carry on."<sup>122</sup> The remainder of the reply was self-effacing. He was

not thin-skinned about the criticism I have been receiving. I did recommend sweeping changes which were carried into effect. I expected the people whom I was instrumental in removing to counter-attack as soon as they could gather momentum to do so. In the fulfillment of the mission assigned to me in China it was a foregone conclusion that I would be criticized by those who were adversely affected by the changes I had to bring about in the relations between America and China.

I did take drastic and unusual action to prevent the collapse of the National Government of China. I did avail myself of every possible situation that would help to harmonize relations between the American and Chinese Governments and military establishments.

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<sup>121</sup>Ibid.

<sup>122</sup>Hurley to Wedemeyer, July 14, 1945, Hurley Papers.

I took many other actions that have caused criticism of my conduct. I did recommend the relief of your predecessor. I did recommend your appointment.<sup>123</sup>

Discussing his relations with Wedemeyer, the Ambassador pointed out that he was anxious to stress that any discords which had occurred had "been very superficial."<sup>124</sup> He also stated that he had cooperated with General Wedemeyer "completely" and that he trusted him "without any reservation."<sup>125</sup> Every report that he had made on the General's operations had been favorable to him. The Ambassador then concluded by stating that they had suffered together during the dark days, and they would "remain together in victory. The future now seems secure."<sup>126</sup>

Although Hurley may have been reassured by this exchange of admiration and affection, the General was not. At the same time that the Ambassador was expressing confidence that his dreams of success were close to fulfillment, Wedemeyer was writing news of a grimmer nature. The General sent a message to Marshall on July 10 predicting that if unification were not achieved, the already numerous clashes between Communist and government troops would extend in scope and severity, possibly becoming a general civil war.

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<sup>123</sup>Ibid.

<sup>125</sup>Ibid.

<sup>124</sup>Ibid.

<sup>126</sup>Ibid.

General Wedemeyer felt that only coercion, applied to both the Kuomintang and the Communists, not polite appeal, would bring unification.<sup>127</sup>

A few days after this, word came to the Embassy that there was "no doubt that the fighting between the Communists and the Kuomintang" in certain areas was "assuming large scale proportions."<sup>128</sup> The message also concluded that it was probable that hostilities would increase.<sup>129</sup>

Hurley still maintained that such reports were exaggerated if not outright efforts to prevent the successful culmination of his task in China. He decided, therefore, to investigate this particular one. He called in Colonel Carlyle C. Dusenberry, who had written it, and asked him the source of the information. Dusenberry, military attache to the Embassy, replied that it was a British officer but declined to disclose his name and station. Hurley was angered by this as he felt that "responsible officials" should "receive not only the rumors but also know their sources . . . ."<sup>130</sup>

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<sup>127</sup>Wedemeyer to Marshall, July 10, 1945, Hurley Papers.

<sup>128</sup>Colonel Carlyle C. Dusenberry to Embassy, July 16, 1945, Hurley Papers.

<sup>129</sup>Ibid.

<sup>130</sup>Secret message from Hurley to Secretary of State, July, 1945, unsent, rough draft, Hurley Papers.

The Ambassador was also upset that Dusenberry had referred, throughout his report, to the military organization of the Nationalist government as Kuomintang forces. Calling the Colonel's attention to the fact that "all the propaganda following the 'party line' in China refers to the 'Kuomintang Army' and 'Kuomintang Forces' and never to the Army of the National Government of the Republic of China,"<sup>131</sup> he asked if Dusenberry wished to infer that General Wedemeyer, who was Chief of Staff to the Generalissimo, was "Chief of Staff of the 'Kuomintang Forces.'"<sup>132</sup> This verbal laceration brought a meek response from Dusenberry. He merely explained to the Ambassador that the term Kuomintang "which was erroneously employed in characterizing Central Government troops did not originate with the informant. The term was employed by this office in conveying the information."<sup>133</sup>

Still not satisfied, Hurley called a meeting, to which he invited General Wedemeyer's Chief of Staff, Major General Ray Maddocks, to discuss Dusenberry's report. After announcing that it was necessary to obtain accurate information so that rumors could be characterized as rumors, he asked Maddocks to have the G-2 of his command confirm the

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<sup>131</sup>Ibid.

<sup>132</sup>Ibid.

<sup>133</sup>Dusenberry to Hurley, July 21, 1945, Hurley Papers.

information. In a week, the Chief of Staff reported that the situation described by Dusenberry was, in reality, only "unsettled" and that some fighting had taken place.

At this juncture, Hurley sent a message to the Secretary of State about the "rumor." He had prepared one earlier but had delayed sending it, perhaps wanting to first obtain the results of his inquiry. In his letter he discussed his meeting with Dusenberry and the outcome of the investigation. The Ambassador concluded that there was nothing

on which to make a definite appraisal and that notwithstanding the heightened temperature of Communist broadcasts from Yen-an plus possible increasing efforts to move into areas evacuated by the Japanese (which of course increases the prospect of clashes with National Government troops) the Communists are in fact awaiting decisions at Potsdam and on the Sino-Soviet negotiations, and in the meantime may merely be attempting to muddy the waters.<sup>134</sup>

Hurley remained convinced, therefore, that the dangers of civil war in China were slight. In addition, he believed that the "strength of the armed forces of the Chinese Communists has been exaggerated. The area of territory controlled by the Communists has been exaggerated. The numbers of the Chinese people who adhere to the Chinese

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<sup>134</sup>Hurley to Secretary of State, July 23, 1945, Hurley Papers.

Communist Party has been exaggerated."<sup>135</sup> And, typical of his suspicions, Hurley asserted that such information was the result of State Department officials, army officers, newspaper and radio newscasters who had "in large measure accepted the Communist leaders (sic) statements in regard to the military and political strength of the Communist Party in China."<sup>136</sup>

The Ambassador's position, though, did not end accounts of clashes between the Communists and the Nationalists. During the last of July there were more, especially from Yen-an. Newscasts from the Communist capital not only discussed Kuomintang attacks and the grave danger of civil war, but they were increasingly critical of the Nationalists, Hurley, and even the United States. One broadcast stated that the reason for the civil war was the "Hurley-Chiang Kai-shek policy."<sup>137</sup> The following day, Yen-an announced a rumor that several American military advisors disguised as journalists had arrived to help train and direct the operations of Kuomintang troops.<sup>138</sup> The Ambassador notified

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<sup>135</sup>Hurley to Secretary of State, July 10, 1945, Hurley Papers.

<sup>136</sup>Ibid.

<sup>137</sup>Yen-an Newscast, July 27, 1945, Hurley Papers.

<sup>138</sup>Yen-an Newscast, July 28, 1945, Hurley Papers.



Washington of these "sensational" accounts stating that the Embassy so far had not been able to obtain reliable information about what had actually occurred, but it was still endeavoring to do so.<sup>139</sup>

While Hurley continued to have his difficulties, Soong, in Russia, was also experiencing some. The Soviet Union wanted more concessions than had been promised at Yalta. In face of this, Chiang had again requested American aid in persuading Stalin to accept China's position, but Truman remained firm in his refusal to become involved.<sup>140</sup> The Secretary of State did urge Chiang on July 28, though, to reach an agreement with Russia quickly.<sup>141</sup> The ultimatum to Japan had been sent and the United States--Soviet staff

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<sup>139</sup>Hurley to Secretary of State, July 31, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 440-1.

<sup>140</sup>The Russian demands had been greater than Chiang's list of maximum concessions, and Soong had returned to Chungking for advice almost immediately. It was at this time that Chiang asked Truman for aid. The President had curtly replied: "I asked that you carry out the Yalta agreement, but I had not asked that you make any concessions in excess of that agreement. If you and Generalissimo Stalin differ as to the correct interpretation of the Yalta Agreement, I hope you will arrange for Soong to return to Moscow and continue your efforts to reach complete understanding." See Truman to Chiang Kai-shek, through Hurley, July 24, 1945, Hurley Papers. See also Feis, 317-20, 329.

<sup>141</sup>Feis, 329. Soong was hesitant, however, to return to Russia. Hurley felt that he was afraid that he would have to make concessions which would adversely affect his career. Throughout this time, Hurley remained hopeful since he believed that Chiang was anxious to have a just and early agreement. See Hurley to Secretary of State, July 29, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 952-3.

agreement on military operations was completed. It seemed imperative, therefore, that China's treaty with Russia be concluded as rapidly as possible.

Events now rushed forward. On August 6, the first atomic bomb was dropped on Hiroshima; on August 8, the Soviet Union entered the war against Japan by invading Manchuria; on August 9, the second atomic bomb was dropped on Nagasaki; on August 10, the Japanese gave conditional acceptance to the Potsdam ultimatum; and on August 14, the war with Japan was over. On the same day the war ended, a "Treaty of Friendship and Alliance" between the Republic of China and the Soviet Union was signed, and on August 24, Chiang formally approved it.

While the negotiations in Moscow had been pending, the problem of the Nationalist-Communist dispute still occupied much of Hurley's time. He was becoming worried about possible problems following the Japanese surrender, and just prior to it, on August 11, he communicated twice with the Secretary of State expressing his concern. The Ambassador was certain that there would be "no political unification in China as long as war lords or armed factions are strong enough to defy the National Government."<sup>142</sup> To meet this

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<sup>142</sup>Hurley to Secretary of State, August 11, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 529-30.

situation, he recommended that "the terms of surrender with Japan should include a requirement that Japan will be responsible for the surrender of all Japanese arms in China . . . ."<sup>143</sup> Japan was also to be penalized for any attempt to arm any belligerent forces within China against the Nationalist government. Since Lend-Lease ended on V-J day, Hurley suggested that "when Japan surrenders all of her arms in China, and, if necessary, some of her arms from the archipelago be used to equip the Chinese National Army."<sup>144</sup> He also seemed to hint that the United States should continue Lend-Lease to China after the end of war with Japan. The Ambassador hastily concluded with the statement, however, that the Secretary of State should consider the "foregoing as suggestions not as recommendations" and that he had not mentioned them to the Generalissimo.<sup>145</sup>

Despite these fears, Hurley was confident that the Communists would finally realize that their cause would benefit from reaching an agreement with the government. When the Sino-Soviet treaty was signed, he felt that the opportunity for which he had been waiting had arrived. He urged

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<sup>143</sup>Ibid.

<sup>144</sup>Ibid.

<sup>145</sup>Ibid. Two days later, Hurley again warned the State Department of the danger of allowing Japanese arms to fall into the hands of the Chinese Communists. He also stated that Chiang had requested that orders be given to Japanese headquarters to prevent the surrender of enemy forces in China "to any Chinese armed political parties or Chinese partisans." See Hurley to Secretary of State, August 13, 1945, Hurley Papers.

Chiang, therefore, to invite Mao Tse-tung to Chungking. The Generalissimo agreed to the suggestion and sent an invitation on August 16.<sup>146</sup>

While Hurley was attempting to reinstitute negotiations by advocating action in Chungking, the Yen-an Observer Group was maintaining contact with the Chinese Communists and attempting to evaluate their military and political capabilities. On the 15th, this group reported that their conferences with Chu Teh and Chou En-lai indicated that the Communists were anxious that the United States stop Lend-Lease and in the event of civil war, take back the supplies it had furnished to the Kuomintang. The Communist leaders feared that the United States would assist the Nationalists by transporting their troops to cities behind the Communist lines in North and Central China. They also were planning to request from the Allies the right to have representatives at the negotiations which were to discuss disarming and controlling Japanese capitulators.<sup>147</sup>

This report also estimated that the Communists did not have the "military strength to seriously oppose (sic) the Kuomintang in position warfare but in a period of an occupation capacity, the Kuomintang will be a far-gone long-

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<sup>146</sup>Feis, 360.

<sup>147</sup>Yenan Observer Group to Commanding General of China, August 15, 1945, Hurley Papers.

range loser even with U. S. help of occupation."<sup>148</sup> In the opinion of the Observer Group, any future American plans which were based on "an underestimation of the Communist political appeal and power in rural areas will contribute to rather than avert a civil war."<sup>149</sup> The report concluded by pointing out that the plans of the Communists were long-range, "including eventual cooperation with the Soviet Union and the U. S."<sup>150</sup>

The next day two more messages arrived from Yen-an. One reported that the "Stalin-Generalissimo pact left locals hurt and bewildered," and that the "last hope now appears for Allied mediation to put heat on Generalissimo otherwise they appear resigned to civil war."<sup>151</sup> The second message from the Observer Group informed Wedemeyer that it had received one reliable report that Chiang was ordering troops across the Yellow River and another report that two units had already crossed the river.<sup>152</sup>

On this same day, General Chu Teh presented to the Allied governments, as predicted, the claim that the

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<sup>148</sup>Ibid.

<sup>149</sup>Ibid.

<sup>150</sup>Ibid.

<sup>151</sup>Yen-an Observer Group to Commanding General, August 16, 1945, Hurley Papers.

<sup>152</sup>Yen-an Observer Group to Commanding General, August 16, 1945, Hurley Papers.

Communists had the right to share fully in the acceptance of Japanese surrender and in the settlements to follow. Mao followed up Chu Teh's note by refusing Chiang's invitation to come to Chungking. Hurley, who still felt the situation could be saved, advised the Generalissimo to ignore the rejection and keep the invitation open. When the Ambassador heard that it was being said in Yen-an that the Nationalist government was declining to guarantee the safety of Mao, he at once sent word to Communist headquarters that he would fly to Yen-an, then fly back in the same plane with the Communist leader and be responsible for his safety while in the Chinese capital.<sup>153</sup>

Mao still hesitated. He replied that he would send Chou En-lai and follow later if the first conference seemed to promise success. Chiang answered that Chou was welcome, but that he hoped that Mao would decide to come along. On August 24, word came from Yen-an that Mao was willing to make the trip to Chungking. Chairman Mao told the Generalissimo that Hurley's visit would be welcome and that both he and Chou would return with the Ambassador to Chungking to confer on all important issues.<sup>154</sup>

Hurley was delighted, believing that success was

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<sup>153</sup>Hurley to Secretary of State, August 21, 1945, Hurley Papers.

<sup>154</sup>Feis, 361.

imminent. Others were not so optimistic, such as the Observer Group in Yen-an which tried to prepare the Ambassador for yet another failure. On August 24, a letter which had been written by Michael Lindsay, an English scholar working for the Chinese Communists, to Sir Horace Seymour the British Ambassador, was forwarded by the head of the Observer Mission to Chungking, but not to Hurley personally. The letter was accompanied by a statement that "Mike has been with the Commies for years and anything he sends out should be good."<sup>155</sup>

Lindsay asserted in the letter that the activities of the United States military forces following the surrender of Japan had made it clear to the Communist leaders that Hurley and Wedemeyer had decided on full military and political support of the Kuomintang in civil war. They had felt a fundamental change in American policy beginning with the recall of Stilwell. Both Hurley, who had committed the United States to unconditional political support for the Nationalist government, and Wedemeyer, who had provided aid to Kuomintang troops, were solidly in the Chiang camp. The Communist leaders further viewed the arrest of John Service in the United States as an obvious attempt to stifle criticism of Hurley which made them distrust the Ambassador

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<sup>155</sup>Colonel Ivan Yeaton to Minister, August 24, 1945, Hurley Papers.

even more.<sup>156</sup>

The concluding paragraph of the letter was also pertinent. Lindsay was not very hopeful that civil war could be avoided. Although he did not

know about the Chungking end but as regards the people here they will certainly not accept any scheme which puts them at the mercy of the present Kuomintang government. They would not accept anything which depended on Kuomintang promises of reforms and democracy in the future and they are very suspicious of America, at least as long as Hurley remains ambassador. I don't think foreign pressure could make them give up their minimum demands. They have been fighting on their own for the last eighteen years and most people seem to feel that if the worse comes to the worse they will go on fighting on their own. From what I saw of the front I think they could go on for a very long time.<sup>157</sup>

By sending the above message to a member of the Embassy staff, rather than Hurley, it was probably hoped that the Ambassador would be informed, in an indirect and more gentle fashion, of its harsh contents. Another cautionary message was sent from Yenan on August 27 containing very carefully and politely phrased suggestions--this time directly to Hurley. The members of the Observer Group suggested that the Ambassador arrive,

if he would accept our humble advice, (1) Showing fairness and firmness and forgetting all past mudslinging. (2) In all the glory and all the power he carries so well. (3) Not expecting locals to make great concessions to their former demands or to their former stand.<sup>158</sup>

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<sup>156</sup>Ibid.

<sup>157</sup>Ibid.

<sup>158</sup>Colonel Robert L. Johnson, Secretary of the General Staff, to Hurley, August 27, 1945, Hurley Papers.



In the opinion of these men, the Communists

feel that the eyes of the world are now on China. The Generalissimo is now knocking at their door and the world is looking to them to save the peace. Although their long and short range aim is a coalition government which allows them free competition, it is believed . . . a short range agreement that can be reached at this time in (sic) some sort of a plan to divide China into jurisdictional parts:

1. With the Generalissimo holding present territory.
2. With Communists keeping their Army and being in control North of the Yellow River.
3. With the local war lords having hegemony in their territories. All of this last to be under some sort of National Centralized Administrative set-up. The Ambassador must not expect any great success, we repeat, unless the Generalissimo is ready to concede to basic Yen-an demands. In the eventuality that negotiation fails or hits an impasse the locals feel that international pressure will in time be brought to bear on the Chinese question and that this will eventually work to their advantage.<sup>159</sup>

This advice did not conform to Hurley's notions, and coming events bolstered his assurance that he had been right. The Ambassador flew to Yen-an, spending only one day, but the Communists treated him with friendliness. On August 28, he flew back to Chungking with Mao. The Communist leader remained approximately one month arguing the Communist cause. In Hurley's opinion, this set of negotiations was much more congenial than any of the previous ones. The Ambassador, urging the talks along and mediating between

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<sup>159</sup>Ibid.

both factions, pressed that they agree on basic principles first and then work out the details in accordance with these principles.

Although firmly believing that both sides would become convinced of the necessity to compromise and accept an agreement,<sup>160</sup> Hurley did not find the smell of success as sweet as he thought it would be. Certain elements of bitterness continued to intrude. There were reports that clashes between the Communists and Nationalist government forces were gaining momentum, and despite the Ambassador's efforts to downplay such information, Washington was becoming alarmed. On August 30 the Secretary of State sent a message to the Embassy stating that they had received word from the Military Relief Mission in Shanghai that the political and military situation was deteriorating. The report had even recommended that Allied troops rather than the Nationalist government forces should take over Shanghai from the Japanese if civil strife was to be avoided.<sup>161</sup> Expressing concern, the State Department requested information.

Hurley immediately responded that General Wedemeyer had "no repeat no confirmation of alarmish report . . . concerning situation in Shanghai,"<sup>162</sup> from his representatives

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<sup>160</sup>Lohbeck, 406-7.

<sup>161</sup>Byrnes to Embassy, August 30, 1945, Hurley Papers.

<sup>162</sup>Hurley to Secretary of State, August 31, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 543.

there, but one of the assistant military attaches was going to Shanghai to check further. The Ambassador then stated that the report which the State Department had received probably was inspired by the imperialistic nations for selfish interests.<sup>163</sup>

A few days later, Hurley's irritation was aggravated --this time by a letter which a group of Chinese tried to send to the President and Secretary of State through the American Consul General, William R. Langdon at Kunming. Instead of transmitting it, Langdon forwarded it to Hurley. The letter discussed the spreading of civil strife and stated that the weapons and equipment used by the Kuomintang troops were those which the United States had intended for use against the Japanese. The Chinese would try to prevent the strife from becoming worse, but they felt "compelled" to ask the United States government "to reconsider your policy toward China and recall General Patrick Hurley as your Ambassador to China" as he was "helping the Kuomintang Dictatorship to engage in civil war."<sup>164</sup>

During this time, Hurley's sense of isolation and persecution flourished, and his relationship with the entire American community further disintegrated. His association

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<sup>163</sup>Ibid.

<sup>164</sup>Langdon to Hurley with enclosure, September 3, 1945, Hurley Papers.

with the press, which had always been poor, reached a new low. The rigid censorship of the Nationalist government had made reporters dependent on the cooperation of diplomatic and military personnel both for information and to get stories through the censors.<sup>165</sup> Gauss and Stilwell had cooperated to the fullest extent, but Hurley did not. He restricted such activities of the diplomatic corps and informed the correspondents that only the Ambassador gave interviews with the press.<sup>166</sup> He also supported the Nationalist government's policy that no United States correspondents who had left China and written uncomplimentary stories be permitted to reenter the country.<sup>167</sup> In the spring of 1945, he even imposed a ban on travel into Communist areas by non-military persons except with his specific approval.<sup>168</sup>

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<sup>165</sup>Several people testified to this fact in the State Department Loyalty hearings. See State Department, II, 2097-8, 2135, 2144.

<sup>166</sup>"Life Statement," 64, Hurley Papers.

<sup>167</sup>There were several official inquiries from Washington about this. See Grew to American Embassy, July 28, 1945, Hurley Papers; Hurley to Secretary of State, July, 1945, Hurley Papers; see also Maxwell S. Stewart, "The Myth of Patrick J. Hurley," Nation, CLXI (November 10, 1945), 490.

<sup>168</sup>Service, 93.

While the newsmen became highly frustrated and angry but had little recourse, Hurley's attitude toward them worsened to such a point that he also suspected the correspondents of plotting against him and the American policy in China. Those with whom his relations grew particularly estranged, such as Theodore White, became Communists in his mind.<sup>169</sup>

Because of the Ambassador's suspicions of the regular press, he ultimately imported two personal press attaches and invited sympathetic visiting correspondents to live with him.<sup>170</sup> He also encouraged others, whom he believed would support his views, to come to China, and he made certain that these newsmen met only the right people, thus receiving "a true picture of the situation."<sup>171</sup>

Hurley's relationship with the State Department also continued to deteriorate. In fact, the recent adjustments within the Department may have helped arouse new doubts in the Ambassador's mind. Important changes had been occurring among those directly concerned with Far Eastern Affairs. James F. Byrnes had replaced Stettinius as Secretary of State

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<sup>169</sup>White's open support of all the Foreign Service Officers who had difficulties with Hurley, especially Service, became especially annoying to the Ambassador.

<sup>170</sup>White and Jacoby, 249.

<sup>171</sup>Walter Robertson to Hurley, October 19, 1945, Hurley Papers.

in July. Grew, who had resigned as Under-Secretary, was replaced by Dean G. Acheson, a former Assistant Secretary of State. Acheson assumed active charge of the State Department during the frequent intervals when Byrnes was abroad. John Carter Vincent was advanced from Chief of the China Affairs Division to Director of the Office of Far Eastern Affairs. Because of his close contact with the Chinese situation, he became the chief formulator of America's China policy.<sup>172</sup> Of these men, Hurley had had a row with Acheson during his Middle Eastern mission, and he felt alienated from Vincent as a result of the February 28 telegram incident. Moreover, the Ambassador never was as certain of Truman's support as he had been of Roosevelt's. He must have felt more alone than ever.

It was not surprising, therefore, that Hurley became more apprehensive and felt that he was being kept uninformed and that American policy was being changed behind his back. On August 20, he had caustically written the State Department that he usually received "first information of American changes in policy . . . from sources other than the State Department."<sup>173</sup>

Another message in September expressed this feeling even more strongly. The Ambassador reiterated his directives

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<sup>172</sup>Feis, 350-1.

<sup>173</sup>Hurley to Secretary of State, August 20, 1945, Hurley Papers.

to China and argued that since the war had ended, American objectives in the Far East had changed. The United States no longer seemed to be upholding the Atlantic Charter. Perhaps the Government had decided "not to continue what President Roosevelt outlined as the long range policy of the United States in regard to China."<sup>174</sup> There seemed to be a "definite trend in American policy toward the support of imperialism rather than democracy in Asia."<sup>175</sup> Under these circumstances, Hurley requested permission to come back to the United States with General Wedemeyer on September 19 so that he could discuss American Asiatic policy with the Secretary of State and the President.<sup>176</sup>

For several months, the Ambassador had been eager to return to the United States for medical care. He was in poor health and life in China was hard. His suspicions now caused him to think of resigning. In a letter to a friend, Hurley vowed that he would leave China soon and quit public office because he had "grown tired of the whole business."<sup>177</sup> A few days later, the Ambassador found another reason why he

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<sup>174</sup>Hurley to Secretary of State, September 11, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 555-7.

<sup>175</sup>Ibid.

<sup>176</sup>Ibid.

<sup>177</sup>Hurley to Mrs. D. R. Lawrence, September 14, 1945, Hurley Papers.

should leave China. He learned from press reports that George Atcheson and John Service were being appointed to the political advisory board which the United States was establishing to assist General Douglas MacArthur. In protest, the Ambassador drafted a vitriolic message intended for the President and the Secretary of State. Although never sent, the telegram indicated Hurley's state of mind.

Charging Atcheson and Service with openly opposing American policy in China, he stated:

They deliberately supported the imperialist policy which was to keep China divided against herself. Both Atcheson and Service supported the cause of the armed belligerent Communist Party of China. The purpose of the Communist armed party was to overthrow the National Government of the Republic of China; to remove Chiang Kai-shek as the war leader of China and to bring about civil war. My directive, of course, was principally to prevent the collapse of the National Government; to sustain the leadership of Chiang Kai-shek; to prevent civil war and to keep the Chinese armies in the war. These objectives were achieved. They were achieved over the virulent and able opposition of George Atcheson, Jr. and John Stewart Service.<sup>178</sup>

Citing Service's report of October 10 and Atcheson's telegram of February 28 as evidence of their efforts to support the Communist attempt to overthrow the government of China, Hurley asserted that these two men had "always supported policy which would divide and weaken China."<sup>179</sup>

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<sup>178</sup>Hurley to Secretary of State and President, September 16, 1945, unsent, Hurley Papers.

<sup>179</sup>Ibid.



Hurley's attack was also directed against the State Department's Division of Chinese Affairs because it, along with

the gentlemen who once constituted the United States Embassy in China have continued to report every false fabulous rumor to magnify every personal or political clash in China into terms of civil war. These gentlemen have deliberately fanned the flames of civil war in China. They advised the Communists not to make a settlement with the National Government. This is a fact that I state on the highest authority of the leadership of the Communist Party in China and can be supported by Service's reports to the Department. These gentlemen have accepted the theory that a democracy in China is an illusion; that China as a democracy cannot be made strong enough to stabilize the peace of Asia. Therefore they have become advocates of the British plan to set up Japan as the stabilizing factor in Asia. Both of these theories are in conflict with what I have understood to be the American policy. If the American policy in China has been changed I think I would have been advised. If it has not been changed I am opposed to the appointment, as head of a Commission and as members of a Commission to make Asiatic policies, of gentlemen whose records have shown that they have opposed American policy in China. They have openly advocated the destruction of the National Government of the Republic of China and the recognition of the belligerent Communist Party in China.

The arrival of Acheson and Service in Chungking at this time will dynamite the unification conferences between the National Government and the Communist Party of China. It is reasonable to assume that they will again attempt to disrupt the conferences just as they succeeded in doing during the similar conferences last Fall. If they are permitted to visit Chungking now, a year of American effort to resolve China's internal differences may again be defeated by them.<sup>180</sup>

The Ambassador concluded by requesting "that neither Mr. Acheson nor Mr. Service be given any jurisdiction over

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<sup>180</sup>Ibid.

American policy in China at least not until I have been given an opportunity to present these matters in person to the President and the Secretary of State."<sup>181</sup>

The same day that Hurley wrote this message, he prepared a more moderate aide-memoire on the same subject for the Generalissimo to send to the President. A few days later, in somewhat modified form, Chiang Kai-shek cabled it. The same charges were repeated after which the Generalissimo requested that Acheson and Service not be appointed as he was certain that Truman did not "want a Commission to make policies for Asia in whose membership is included the leaders of the opposition to the Chinese Republic."<sup>182</sup>

Despite his bitterness and desire to return to America as soon as possible, when both the Communists and Nationalists asked him to postpone his departure until September 22 to aid in the negotiations, the Ambassador consented. He hoped that by so doing the talks might be

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<sup>181</sup>Ibid. Hurley would later "recall" that in his last conversation with Mao Tse-tung, the Communist Chairman "almost gloated," as he told the Ambassador that the appointments of Service and Acheson as political advisors to MacArthur clearly indicated that the United States would not support Hurley's policy of the unification of China under the leadership of Chiang Kai-shek. See U. S. Senate, Committee on Foreign Relations, "Investigation of Far Eastern Policy," Hearings before the Committee on Foreign Relations, United States Senate, 79th Cong. 1st sess., Microfilm, 60; hereafter cited as "Investigation." See also Lohbeck, 421.

<sup>182</sup>Hurley draft of Aide-Memoire, September 16, 1945, Hurley Papers.

brought further along, and on the 19th, he prepared a proposal consisting of nine points which he felt would become the basis for a settlement.<sup>183</sup>

Just before he left China, the Ambassador wrote his final report to the Department of State on the progress of the negotiations, expressing his pleasure with the progress which had been made, despite opposition. He pointed out that the "overall achievement in this conference had been to keep the Communists and Nationalists talking peace-time cooperation during the period for which civil war has been predicted by nearly all the elements who are supporting a policy to keep China divided against herself."<sup>184</sup> Hurley concluded that the "spirit between the two negotiators is good. The rapprochement between the two leading parties of China seems to be progressing, and the discussions and rumors of civil war recede as the conference continues."<sup>185</sup>

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<sup>183</sup>Declaration Issued by the Conference of the Representatives of the National Government and the Chinese Communist Party at Chungking, September 19, 1945, Hurley Papers. Important points included agreement to sustain the leadership of Chiang Kai-shek; to establish a political council with proportionate representation of all political parties to serve as steering committee during the transitional period to a free, democratic government; to support the principles of Sun Yat-sen; to amalgamate the Communist Army with the Nationalist Army; and to permit the Kuomintang to remain in control of the government until the end of the transitional period.

<sup>184</sup>Hurley to Secretary of State, September 23, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 466-8.

<sup>185</sup>Ibid.

This note of cheer did not hide the feeling, however, that he was being badly used. The thoughts of resignation remained. Several days before, another incident had occurred which heightened his belief that American policy was being run by people who were trying to oust him. The News Bulletin of the United States Information Service of September 19 carried a report that the Ambassador was about to resign.<sup>186</sup> It stated that it would be officially explained that he was in need of rest, but the real reason was "his deep dissatisfaction with arrangements in the China Affairs section of the State Department."<sup>187</sup> The report continued that when Hurley came to China, he had found a "divided camp" in the United States Embassy, with some favoring American "support of Yen-an Communists at the expense of the long time American policy of building up the Central government under Generalissimo Chiang Kai-shek."<sup>188</sup> Although this was roughly how the Ambassador felt, he believed that the inclusion of such information in an official publication was to humiliate

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<sup>186</sup>Rumors that Hurley would resign had begun to circulate in the United States earlier. See Washington Star, September 16, 1945; New York Herald Tribune, September 16, 1945; New York Times, September 16, 1945, Hurley Clipping Book, 1945, Hurley Papers.

<sup>187</sup>United States Information Service News Bulletin, September 19, 1945, Hurley Papers.

<sup>188</sup>Ibid.

him and reduce his influence in China.<sup>189</sup>

All in all, by the time of Hurley's departure, he was quite convinced that his work was being purposely sabotaged, and he was certain that he knew the identities and motivation of the saboteurs. Although Hurley's suspicions were still diffused, Service, Atcheson, and Davies remained primary targets. Obsessed with these feelings, he once again went to Washington for a showdown. The Ambassador also carried with him a letter from Chiang Kai-shek to the President which he hoped would strengthen his position.

The Generalissimo had presented it to Hurley on the occasion of his farewell visit. Stating that "General Hurley's wise statesmanship and human qualities have won him the respect and affection of the Chinese people who see in him a fitting symbol of American foreign policy of fair play and justice," Chiang asked that the Ambassador return to China.<sup>190</sup>

Although the letter was encouraging and comforting, Hurley was not eager to go back to China. It had not been the rewarding assignment that he had anticipated although he was still optimistic that an agreement between the Communists

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<sup>189</sup>Feis, 406.

<sup>190</sup>Chiang Kai-shek to President, September 17, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 564.

and Nationalists would vindicate his efforts.

Consequently, the Ambassador probably departed for the United States planning to resign. He immediately became caught, though, in the cross currents of the domestic scene. The administration, anxious to see a settlement in China which would end America's major involvement there, desired Hurley's return. He was familiar with the problems, and he enjoyed an excellent relationship with Chiang Kai-shek. Byrnes and Truman encouraged him, therefore, to continue as ambassador.

Other groups tried to influence him to resign. There is no doubt but that Hurley was under pressure by certain supporters of the Nationalist regime who believed his resignation would set off a controversy which would assist them in achieving more aid for the Generalissimo.<sup>191</sup> Some Republicans saw potential political gain and probably endeavored to persuade the Ambassador to resign, too.<sup>192</sup> There were also the sincere critics of Hurley who felt that his return to China would be undesirable for both America's and China's future interests.

Confused by these conflicting appeals and viewpoints

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<sup>191</sup>Ross G. Koen, The China Lobby in American Politics (New York, 1960), 77.

<sup>192</sup>Ibid.

as well as his own jumbled emotions, it is not surprising that Hurley, a man easily swayed by both flattery and criticism, changed his mind several times before he finally resigned. It is also not surprising that there are varying accounts of the decision and that later testimony is often unreliable.

## CHAPTER VII

### HURLEY RESIGNS

The Ambassador arrived in Washington on September 26 only to learn that his attempt to prevent Acheson and Service from serving in Japan had failed. The day before the State Department, with Truman's approval, had written Chiang, in answer to his aide memoire, that Acheson and Service would serve on the Advisory body but they would deal only with matters directly connected with Japan. This further confirmed Hurley's belief that the men who were destroying America's China policy still retained influence.<sup>1</sup>

Although Secretary of State Byrnes was abroad and could not be remonstrated immediately, the Ambassador had a busy schedule of conferences. He talked with Under-Secretary Acheson on the 27th, and indicated that he wanted to resign.<sup>2</sup> On September 28, he had lunch with Secretary of Navy James Forrestal.<sup>3</sup> During their conversation, Hurley expressed his

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<sup>1</sup>Feis, 406-7.

<sup>2</sup>Feis, 407. Foreign Relations: 1945 records only a telephone conversation between Acheson and Hurley on that day. See Memorandum by Acting Secretary of State Acheson, September 27, 1945, Foreign Relations: 1945, VII, 569-70.

<sup>3</sup>"Office Diary," Hurley Papers.



belief that the Chinese Communists were not Communists at all and that Russia wanted a strong Chinese government and accepted the leadership of Chiang Kai-shek. He also brought up the topic of major concern to him. Discussing the professional staff of the State Department and American correspondents in China, Hurley indicated that both were communistically inclined and had been a hindrance to him as ambassador.<sup>4</sup> Old friends with whom he also had discussions must have heard similar comments.<sup>5</sup>

When the Ambassador saw Byrnes early in October,<sup>6</sup> just after the Secretary's return from Europe, Hurley told him that he wanted to resign because of ill health.<sup>7</sup> He also indicated, as he had earlier to Acheson, that he thought the time was propitious. Unification seemed imminent, and Stalin had agreed to support the Nationalist government. A young man could now handle the situation.<sup>8</sup> Byrnes expressed regret and persuaded the Ambassador to take a rest and

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<sup>4</sup>Forrestal, September 28, 1945, 98-9.

<sup>5</sup>"Office Diary," Hurley Papers.

<sup>6</sup>On October 9, according to the Hurley Office Diary, Hurley Papers and a later State Department statement. See New York Times, November 28, 1945, 4:4.

<sup>7</sup>Byrnes Testimony, "Investigation," 202.

<sup>8</sup>Feis, 407.

reconsider his decision.<sup>9</sup>

After a complete medical checkup, Hurley saw Secretary Byrnes again stating that his health was much improved and if the Secretary wished him to return to China, he would. Byrnes was delighted and arranged an appointment for them at the White House on October 13, as Hurley had previously indicated his wish to see the President.<sup>10</sup>

At this conference, the Ambassador asserted that he was being undermined by some members of the State Department,<sup>11</sup> and he may have threatened to resign.<sup>12</sup> Both Truman and Byrnes assured Hurley that he had their full support. The Secretary of State told him that as long as he was Ambassador, if there was any embassy official "who was not supporting him, or who was interfering in any way with his administration . . . that employee or official would be

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<sup>9</sup>Byrnes Testimony, "Investigation," 202.

<sup>10</sup>There is some question as to the exact date of this. Hurley's Office Diary indicates he spent the weekend of October 6 and 7 in the hospital, but Byrnes testified that the checkup took place after his initial conference with the Ambassador. See "Investigation," 203.

<sup>11</sup>Hurley Testimony, "Investigation," 85.

<sup>12</sup>According to his later testimony in 1951, Hurley did so, pointing out "in very short form that I was being undermined in China by our own State Department . . . ," and "it was too great a risk for a man to have to carry his own State Department on his back while meeting the Communist and Kuomintang controversy on the other." See Military Situation, IV, 2936.

removed,"<sup>13</sup> and the President reaffirmed this commitment.<sup>14</sup> The Ambassador's exact response is not known, but the conference ended with him agreeing to return to China after a month's rest, and the State Department immediately made a public announcement to that effect.<sup>15</sup> President Truman also informed Chiang Kai-shek that, in view of the Generalissimo's wish for Hurley's return to China and the confidence "we repose in General Hurley's judgment and ability," he had requested the Ambassador to continue his mission.<sup>16</sup>

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<sup>13</sup>Byrnes Testimony, "Investigation," 203.

<sup>14</sup>Ibid.

<sup>15</sup>New York Times, October 14, 1945, 19:5. Hurley later testified in the investigation of his resignation that he had responded to the assurances by asking why he should bother to request removal of such people since "I only make them stronger by firing them." See "Investigation," 85. In 1951, he further testified that after the President told him that he wanted him to continue as Ambassador, he had asked for thirty days to rest and think it over. See Military Situation, IV, 2936. Byrnes testified in the 1945 investigation, though, that the Ambassador responded to the offer to remove those who failed to support him by saying that he could ask for no more and not by requesting a public statement. See "Investigation," 201, 203-4. Lohbeck states that Hurley agreed to return to China when the President told him that the men whom he had fired would be reassigned to positions where they could not have an important effect on China policy, but that he still requested a public statement. He continued to ask for such a statement during his vacation, and when none was issued, he reconsidered his decision. See Lohbeck, 421-2.

<sup>16</sup>Truman to Chiang, October 20, 1945, Foreign Relations: 1945, VII, 582-3.

Hurley briefly saw Truman once again the day before his departure from Washington, by way of New York, for a vacation in New Mexico on October 20.<sup>17</sup> He left with a feeling of new hope for the news from China was good. It had been publicly announced that he would continue as Ambassador,<sup>18</sup> and both the Generalissimo and the Communists had expressed their "deep gratification."<sup>19</sup> It had also been optimistically voiced that "a new note of encouragement" seemed to "prevail on both sides," and that the Nationalist-Communist conversations would end in complete agreement.<sup>20</sup>

Not long after the Ambassador's arrival in New Mexico, though, the reports from China became increasingly gloomy. There was disturbing news of clashes between the Communist and Nationalist troops and a stalemate in negotiations. On November 1, Hurley received four documents from Everett F. Drumright, the new Chief of the Division of

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<sup>17</sup>"Office Diary," Hurley Papers.

<sup>18</sup>New York Herald Tribune, October 14, 1945, Hurley Clipping Book, 1945, Hurley Papers.

<sup>19</sup>Walter Robertson to Hurley, October 16, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 475.

<sup>20</sup>Chungking Embassy to Secretary of State, October 15, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 474-5; Walter Robertson to Hurley, October 19, 1945, Hurley Papers.

Chinese Affairs, which described the deteriorating situation.<sup>21</sup> More information came a few days later of increased fighting between the government forces and the Communists, and American observers were reporting that the danger of large-scale civil war appeared to be growing. There seemed, at that time, "to be almost no hope for the reaching of a permanently satisfactory solution, as each side is becoming increasingly reluctant to compromise its position anywhere by making concessions."<sup>22</sup> Another similar report stating that the impasse in negotiations had reached a critical stage with no progress being made toward its settlement was sent from the Embassy in Chungking on the 11th. Bitter fighting between the two groups was also being frequently reported to the Embassy.<sup>23</sup> This information made it increasingly apparent that the "Hurley Pact" which the Ambassador had dreamed "would echo down the corridor of Chinese history" symbolic of "the glory of American diplomacy"<sup>24</sup> was not to

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<sup>21</sup>Drumright to Hurley, November 1, 1945, Hurley Papers.

<sup>22</sup>Chungking Embassy to Washington, November 4, 1945, Hurley Papers.

<sup>23</sup>Robertson to State Department, November 11, 1945, Hurley Papers; also in Foreign Relations: 1945, VII, 613-4.

<sup>24</sup>White and Jacoby, 250.

be. This came as a grave disappointment to Hurley.

As the situation in China continued to degenerate, many were puzzled by Hurley's inactivity. The Associated Press had earlier queried him about his return to China.<sup>25</sup> The Ambassador had replied that he had not yet decided whether or not he would go back to China. He would not make a final decision until after he had made a trip to Washington.<sup>26</sup>

Criticism of Hurley also began to erupt in many American newspapers and journals, and some of the comments were scathing in their attack. One article stressed the Ambassador's vanity, his determination to dominate totally the American mission in China, and his intolerance of criticism. Citing Hurley's relationship with the professional Embassy staff, the author noted that among the Foreign Service Officers there were

several unusually intelligent young men who spoke Chinese fluently and had had years of experience grappling with Chinese political problems. These men protested against his [the Ambassador] abandonment of America's bargaining position and his partiality for Chiang's reactionary regime, and Hurley was too thin-skinned to suffer their criticism. He struck back by purging his staff of all men with long experience in China.<sup>27</sup>

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<sup>25</sup>Tank Chief of New York Bureau of Associated Press to Hurley, November 3, 1945, Hurley Papers.

<sup>26</sup>New York Times, November 3, 1945, 5:1.

<sup>27</sup>Stewart, 489-91.

This article concluded by recommending a return to the "Stilwell-Gauss policy" of encouraging and assisting all Chinese groups.<sup>28</sup> A number of editorials voiced the opinion that the Ambassador had committed the United States to all-out support of the Kuomintang regime. It was also asserted that State Department officials knew little of what was going on in China because of the Ambassador's refusal to forward to Washington any reports by subordinates which contained disapproval of the Kuomintang.<sup>29</sup>

All these developments were bitter blows to Hurley and further convinced him that his only recourse was to resign as Ambassador, and he called Secretary Byrnes at least once from New Mexico to do so. He apparently referred to his ill health, the bad news from China, and his troubles with the Foreign Service Officers as his reasons. The Secretary reassured Hurley and thought that he had dissuaded him from resigning.<sup>30</sup>

The Ambassador, though, was still not convinced, and the thought of resigning remained. In a few days, he began

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<sup>28</sup>Ibid.

<sup>29</sup>Ibid. See also Smith, 230-1.

<sup>30</sup>Byrnes Testimony, "Investigation," 204-5. Feis states that the Ambassador tried to resign at least twice during this time, and he specifically notes that Hurley discussed the Foreign Service Officer situation which Byrnes did not in his testimony. See Feis, 407-8.

to prepare a statement in defense of himself. In character, he would not resign quietly. He would "use his resignation to build up his own image and lay the blame on others for the defeat of unification and peace in China,"<sup>31</sup> and he had already found his scapegoats. This decision was no doubt also encouraged by the various special interest groups who hoped that a fiery resignation would be advantageous to them.

In his statement, he asserted that both "President Truman and Secretary Byrnes have approved the policies of America which I upheld in China and have requested me to return to China as Ambassador," but "the career men"<sup>32</sup> in the State Department have been passing out propaganda, based largely on falsehood, that I created American policy in China."<sup>33</sup> The policy had originated, though, with Cordell Hull and had been strengthened by Roosevelt. Hurley's directives, "(1) to prevent the collapse of the National Government of the Republic of China; (2) to keep the Chinese Army in the war; (3) to harmonize the relations between the Chinese military establishment and the American military establishment; (4) to bring about closer relations between

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<sup>31</sup>Smith, 231.

<sup>32</sup>He amended this to say the same few career men.

<sup>33</sup>Hurley Statement, November 10, 1945, rough draft, Hurley Papers.



the American embassy and the Chinese government," had all been accomplished.<sup>34</sup> Of his secondary directives--to unify all the anti-Japanese military forces of China, prevent civil war in China, and support the aspirations of the Chinese people to establish a free, united, democratic government, civil war had been prevented, "at least, until my return to America."<sup>35</sup> Hurley had learned, however, that

most of the career men in the State Department whose lives and services were connected with the Orient were openly opposed to the American policy. Some of them supported the Chinese Communists and others supported the policy of Britain, France, and the Netherlands which followed the usual line of imperialism . . . to keep China divided against herself.<sup>36</sup>

He then pointed out with intentional irony that he was now "being condemned for having removed or relieved from duty in China those American officials who opposed the American policy in China."<sup>37</sup> The Ambassador concluded by stating that he was neither a Communist nor an imperialist but a Republican and a believer in democracy and free enterprise.<sup>38</sup>

The statement in its final form included some additions. The Ambassador began by asserting that he could no

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<sup>34</sup>Ibid.

<sup>35</sup>Ibid.; this latter phrase was a penciled addition.

<sup>36</sup>Ibid.

<sup>37</sup>Ibid.

<sup>38</sup>Ibid.

longer

ignore the propaganda which is being put forth by some few career men in the State Department, to the effect that I created a policy in China which is in conflict with the policy of the United States. I have been shown editorials from some of the outstanding newspapers of our Country that are, in my opinion, based on falsehoods circulated by career men whom I relieved in China.<sup>39</sup>

Throughout the war, he had made no reply to attacks that were made upon him by some of the career men because he felt that to do so would be injurious to the war effort, but a "just regard for the opinions" of his fellow men now required that he "state the facts."<sup>40</sup>

Hurley continued that he had relieved certain career men because they were supporting the efforts of the Communist armed party and the policies of the Imperialists which were intended to keep China divided against herself. These acts by career men were opposed to the American policy, and created a weakness in China that was detrimental to the war effort. The career men who were released by me in China were returned to Washington and were placed over me in the Far Eastern and Chinese Divisions of the State Dept., where they have labored to defeat the American policy in aleging (sic) that it was my personal policy and that it was wrong.<sup>41</sup>

These same men were now in Washington "feeding the newspapers of the United States a lot of misinformation on what is transpiring in China now."<sup>42</sup> Able to "frustrate

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<sup>39</sup>Hurley Statement, November 12, 1945, Hurley Papers.

<sup>40</sup>Ibid.

<sup>41</sup>Ibid.

<sup>42</sup>Ibid.

America's foreign policy," they had "caused our Country to support throughout the World the 'Divide and Rule' policy of the Imperialists."<sup>43</sup>

This document, which included the nucleus of his later letter of resignation, was indicative of the Ambassador's frame of mind. At the time of its writing, Hurley may have intended to use the accusations in the public statements he made in the next few days, but he did not. His last press release in Santa Fe before departure for Washington was apparently restricted to an assertion that the Chinese Communists had attempted to destroy the Nationalist government by obtaining arms from the surrendering Japanese.<sup>44</sup> The Ambassador issued another public statement as soon as he arrived in the capital.<sup>45</sup> This press

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<sup>43</sup>Ibid.

<sup>44</sup>New York Times, November 11, 1945, 1:2; this article had a November 13, 1945, Santa Fe dateline. In Chungking, the Chinese Communists denied Hurley's charge and asserted their hope that American-Chinese friendship would not be "indiscreetly spoiled by such persons as Hurley." See New York Times, November 16, 1945, 5:3.

<sup>45</sup>There is some disagreement as to the date of his arrival, but the most reliable sources indicate the 15th. See "Office Diary," Hurley Papers and Smith, 231. Lohbeck states, though, that Hurley did not return until November 25. See Lohbeck, 425.

release emphasized America's "solemn commitment" to the only Chinese "Government which is recognized by the United States or by any other of the United Nations."<sup>46</sup> Hurley also asserted that American and Russian policies in China were in accord. Russia was "adhering to the policy which she agreed to in the Sino-Soviet treaty . . . ."<sup>47</sup> The United States should, therefore, have the "hardihood to stick to . . . its own policy . . . ."<sup>48</sup>

During his next few days in Washington, the Ambassador had several appointments which were dedicated to obtaining information about recent developments in China. He saw Lieutenant Commander J. Lacey Reynolds, his naval aide, who had just returned from Chungking, on November 16; Everett Drumright, Chief of the Chinese Affairs Division of the State Department on November 17; and Secretary of War Robert P. Patterson on November 19.<sup>49</sup> The news he received was not encouraging, and Hurley must have been further convinced that it would be unwise to return to China.

On November 20, he began dictating and editing his letter of resignation, and for the remainder of the week, most of his time was spent writing the document which he

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<sup>46</sup>Hurley Press Release, November 15, 1945, Hurley Papers.

<sup>47</sup>Ibid.

<sup>48</sup>Ibid.

<sup>49</sup>"Office Diary," 1945, Hurley Papers.

planned to submit to Secretary of State Byrnes. He completed and signed it on Sunday, November 25.<sup>50</sup> The following morning he kept a 9:15 appointment with the Secretary, carrying with him the letter.<sup>51</sup>

Hurley gave the Secretary his letter, telling him that he wanted to resign. He again explained that, in addition to not being well, he was tired of not being supported by people in the State Department.<sup>52</sup> When Byrnes asked who, specifically, the Ambassador named Acheson and Service. Telling Hurley to forget them, the Secretary gave reassurances that neither of the men would be permitted to go to China. Byrnes then urged the Ambassador to reconsider his decision, pointing out that he did not want to send a new man to China with the situation as it was. Because the Secretary had to leave for an appointment with Truman, he suggested that Hurley return later in the day so that they could continue their discussion. He apparently also told the

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<sup>50</sup>"Office Diary," 1945, Hurley Papers. Lohbeck states that Hurley conferred with Senator Arthur Vandenberg of Michigan about his letter before presenting it to Byrnes. Vandenberg advised the Ambassador to remove reference he had made to the Yalta agreement, since it was still secret, and Hurley made the recommended revisions. See Lohbeck, 437.

<sup>51</sup>"Office Diary," 1945, Hurley Papers.

<sup>52</sup>Byrnes testimony, "Investigation," 205. In 1951, Hurley testified that when he returned from his vacation, he discovered "that the men I complained of were all in the places where I left them, no changes had been made." See Military Situation, IV, 2936.

Ambassador that he would inform the President that Hurley had brought in a letter of resignation but had finally agreed to continue as Ambassador. Byrnes also gave Hurley some recent reports from China to read before their next meeting.<sup>53</sup>

In the afternoon session they discussed America's China policy. Hurley expressed agreement with it and indicated that he would return to China.<sup>54</sup> He was willing to leave immediately that day, but he had an engagement on November 28 to speak to the National Press Club. The Secretary was delighted that Hurley would continue as Ambassador and told him that he could leave after his speech. Hurley then asked for a statement of Byrnes' views on policy as they had discussed them, and the Secretary agreed to do this.<sup>55</sup> Byrnes informed Truman that Hurley would return and a plane was readied for his departure. The next morning, Byrnes also indicated to the Secretaries of War and Navy that Hurley was returning to China when he discussed with them the

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<sup>53</sup>Byrnes Testimony, "Investigation," 205-7. For a brief resume of the Byrnes-Hurley meetings on November 26, see Feis, 408.

<sup>54</sup>One source indicates that the Ambassador agreed to return for one month only. See Newsweek, XXVI (December 10, 1945), 34-35.

<sup>55</sup>There is some debate over this. While Hurley testified in the Investigation of his resignation that he asked for a public statement of policy, the Secretary stated that Hurley merely asked for a memorandum which Byrnes prepared. Compare Hurley's testimony, "Investigation," 79 with Byrnes Testimony, "Investigation," 207-9.

memorandum he was preparing for the Ambassador.<sup>56</sup>

Such was not to be the case, for Hurley again changed his mind. The Ambassador had never completely abandoned his earlier resolution to resign, and events both in China and at home had gradually intensified this determination. Always susceptible to praise, Hurley had responded, therefore, to the request of the Secretary of State by agreeing to return to China, but once out of Byrnes' presence, the Ambassador's doubts as to the wisdom of this assailed him again. Finding justification for another change of mind was not difficult, and Hurley would ultimately refer to several incidents which led him to make his abrupt decision. The one which provided the final impetus was his discovery of a speech by Representative Hugh DeLacy of Washington which had been made in Congress immediately after Hurley's last talk with the Secretary of State. DeLacy was critical of both Hurley and the Generalissimo and accused the Ambassador of reversing the Roosevelt-Gauss policy in China, thus making civil war inevitable.<sup>57</sup> Hurley saw in the Representative's

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<sup>56</sup>Minutes of Meeting of the Secretaries of State, War, and Navy, November 27, 1945, Foreign Relations: 1945, VII, 684-6; Memorandum of the Secretaries of War and Navy to the Secretary of State, November 26, 1945, Foreign Relations: 1945, VII, 670-8. See also Forrestal, no date, 123; Feis, 404, 408; and Byrnes Testimony, "Investigation," 209.

<sup>57</sup>Congressional Record, 79th Cong., 1st sess., XCI, Part 8, 10993-5. See also Byrnes Testimony, "Investigation," 209-10.

remarks what he believed was additional proof that his secret reports were being leaked to critics.

He would later testify that there were a number of additional reasons for his immediate resignation. Articles printed in the Daily Worker and the Chicago Sun containing citations from speeches by a purported Communist indicated, in Hurley's opinion, that his secret reports were made available to the Communists. Two other items of information which had been given him were also upsetting to Hurley and seem to substantiate the hypothesis that the Ambassador was under pressure to resign.<sup>58</sup> Wang Shih-chieh, China's Minister of Foreign Relations, had informed Hurley that the administration had decided to give the ambassadorship to a deserving Democrat since the war was over. From another Chinese source, he heard that the plan of Truman and Byrnes was to get him back to China and then find some pretext for a public discharge. The Ambassador also remained disturbed that Acheson and Service remained in the same assignments if not, in his opinion, in even higher positions of authority.<sup>59</sup>

Vindication found, Hurley decided to act immediately. He called various press headquarters, and within half an

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<sup>58</sup>Koen believes that the China Lobby was the major source of this pressure. See Koen, 77-8.

<sup>59</sup>Military Situation, IV, 2936-7.



hour, the Ambassador distributed a press release of his resignation.<sup>60</sup> The letter of resignation was a dramatic statement of Hurley's dissatisfaction. He did not admit failure but instead diffused blame. Although contorted by twists and twirls and padding of patriotic fluff, a major theme was charges against the professional diplomats.

After a brief introduction in which he declared that he was resigning and thanked Truman and Byrnes for their support, the Ambassador began his accusations. He asserted that the declared policy in China was not being carried out. Although in the "higher echelon of our policy-making officials American objectives were nearly always clearly defined," the astonishing feature of United States foreign policy was "the wide discrepancy between our announced policies and our conduct of international relations."<sup>61</sup> America began the war with the principles of the Atlantic Charter and democracy as goals, but finished it in the Far East "furnishing lend-lease supplies and using all our reputation to undermine democracy and bolster imperialism

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<sup>60</sup>Smith, 241. A contemporary journal article stated that after learning of the DeLacy speech and prior to making the announcement of his resignation, he "furiously" telephoned the State Department, only to learn, with greater anger, that a statement which was to have publicly endorsed his China policy had been weakened. He then decided to resign immediately. See Newsweek, XXVI (December 10, 1945), 34-5.

<sup>61</sup>Hurley to Truman, November 26, 1945, Hurley Papers; Relations with China, 581-4.

and communism."<sup>62</sup> After noting that his directives were in order of importance, to prevent the collapse of the government, keep the Chinese army in the war, and harmonize the relations between the Chinese and American military establishments and between the American Embassy in Chungking and the Chinese government, Hurley asserted that he felt these objectives had been accomplished, though only with difficulty. While these goals had the support of the President and the Secretary of State, it was "no secret that the American policy in China did not have the support of all the career men in the State Department."<sup>63</sup> The professional Foreign Service Officers provided "the chief opposition to the accomplishment of our mission," by siding with "the Chinese Communist armed party and the imperialist bloc of nations whose policy it was to keep China divided against herself."<sup>64</sup> They continuously told the Communists "that my efforts in preventing the collapse of the National Government did not represent the policy of the United States" and "openly advised" them to decline unification with the Nationalist Army unless they were given control.<sup>65</sup> Despite the opposition of the diplomats, progress was made toward unification and the prevention of civil war.

Hurley next stated that he had requested the relief

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<sup>62</sup>Ibid.

<sup>64</sup>Ibid.

<sup>63</sup>Ibid.

<sup>65</sup>Ibid.

of these men who were opposing the American policy, but instead "they were returned to Washington and placed in the Chinese and Far Eastern Divisions of the State Department as my superiors," or "assigned as advisors to the Supreme Commander in Asia."<sup>66</sup> In such positions, "most of them have continued to side with the Communist armed party and at times with the imperialist bloc against American policy."<sup>67</sup>

Hurley then cited what he believed was another reason for the discrepancy between American foreign policy as announced and as initiated--it was the secrecy which shrouded the actions of the State Department. The Ambassador concluded by stating that America's "true position in China is misunderstood abroad because of this confusion of policy within our own Government. This situation suggests the need for a complete reorganization of our policy-making machinery beginning at the lower official levels."<sup>68</sup>

Official Washington, including Secretary of State Byrnes and President Truman, was stunned by Hurley's action. Truman first learned of the Ambassador's resignation on the White House news ticker. When Byrnes heard the news, he thought it was a mistake. He called Hurley and asked him if he had authorized the press release. The Ambassador replied that he had. Not only was he sick, but people were "shooting

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<sup>66</sup>Ibid.

<sup>67</sup>Ibid.

<sup>68</sup>Ibid.

at him" and receiving their information from the State Department. He would not return to China, and he specifically named DeLacy's speech as the reason for changing his mind.<sup>69</sup>

According to James Forrestal, the dramatic resignation was the sole topic of conversation at the luncheon meeting of the cabinet, and it was decided to accept Hurley's resignation immediately and appoint George C. Marshall to the vacant post. It was hoped that his quick appointment would steal much of the thunder from Hurley's sensational charges.<sup>70</sup>

Secretary Byrnes also called a press conference for the following morning to further weaken the former Ambassador's position. In his statement, the Secretary pointed to some of the discrepancies in Hurley's letter of resignation. Asserting that the only two men about whom the former Ambassador complained were Service and Acheson, he pointed out that neither were serving any longer in China. Hurley had also been assured of the "top-dog position in charge of American policy in China" in their last conference. Byrnes further noted the paradox of Hurley linking Communist and

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<sup>69</sup>Byrnes Testimony, "Investigation," 209-10.

<sup>70</sup>Forrestal, November 27, 1945, 113. Byrnes' testimony indicates that he did not call Hurley to confirm the resignation until after the luncheon meeting with the President. See "Investigation," 209-10. See also Truman to Hurley, November 27, 1945, Hurley Papers.

imperialist sentiments in his accusations. In conclusion, the Secretary stated his regret that Hurley had resigned.<sup>71</sup>

Of course, Hurley being Hurley was not so easily stilled, and in his National Press Club speech later the same day, he leveled another blast at officialdom. Much of the material was mere reiteration of his resignation letter. He again discussed his directives and asserted that they had been successfully culminated. When he left China, "there was no civil war," and "there was not any controversy with Russia . . . ." <sup>72</sup> Restating most of his earlier criticisms, he further accused State Department officials of leaking information which was "derogatory to the cause which they oppose."<sup>73</sup> The former Ambassador also stressed that he had been charged with inaugurating his own policy in China and declared, somewhat wistfully in the opinion of some of his listeners, that his "career might have been changed" if Byrnes' public "endorsement of policy had been made earlier."<sup>74</sup>

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<sup>71</sup>Newsweek, XXVI (December 10, 1945), 34-5.

<sup>72</sup>Press Club Speech, November 28, 1945, Hurley Papers.

<sup>73</sup>Ibid.

<sup>74</sup>Ibid. The assertion that there was a tinge of regret in Hurley's comments was in a Newsweek article. See Newsweek, XXVI (December 10, 1945), 34-5. One source even indicated that Hurley felt that he would still return to China when he issued his statement of resignation. See New York Times, November 28, 1945, 1:8.

Hurley's accusations only further confused the issues concerning America's China policy. The initial reaction to the resignation was divided, primarily between supporters and critics. Fulton Lewis, Jr., issued one of the strongest statements in praise of the former Ambassador's action. Lewis avowed that Hurley's letter was "one of the most frank and uncompromising resignation letters ever written in top official circles, and behind the scenes of it lies a story of intrigue [by diplomatic playboys and pink tinted underlings in the State Department who have deliberately sabotaged and are sabotaging American foreign policy in China] . . . ."<sup>75</sup>

The former Ambassador was denounced in equally vigorous terms by others. One editorial asserted that General Hurley's vanity would not permit a peaceful exit but demanded an angry public statement "which only further dramatized his unfitness for the responsibilities with which he had been entrusted."<sup>76</sup> Concern was expressed by some that the former Ambassador's accusations had "effectively weakened

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<sup>75</sup>Fulton Lewis, Jr., November 27, 1945, Clipping Book, 1945, Hurley Papers.

<sup>76</sup>Nation, CLXI (December 8, 1945), 64. Another stated that there was "ample evidence" that the former Ambassador's accusations were false and declared that Hurley had "made his own policy, paying scant attention to the directives received from successive Presidents and Secretaries of State." See New Republic, CXIII (December 10, 1945), 781-2..

America's hand in the Far East."<sup>77</sup>

Whatever their opinion of Hurley, most political observers were certain that his indictment of the State Department would result in a Congressional investigation, which generated equally diverse views. Some believed that the resignation was a "cue for a much-needed airing of foreign policy dissatisfaction."<sup>78</sup> Arthur Krock of the New York Times expressed the conviction that the Republicans had been seeking campaign views and General Hurley now offered them one. Convinced that the foreign policy critics would not overlook this "full-scale frontal attack," the columnist asserted that the career men in the Foreign Service were favorite targets of Congress.<sup>79</sup> Another editorial declared in even stronger terms that the former Ambassador's charges were being used by Republicans to discredit Truman and the Democratic party and by conservatives of both parties as an excuse for a "witch-hunting investigation" of the State Department.<sup>80</sup>

As predicted, Hurley's blast was not ignored by Congress, and almost immediately a cry for an investigation

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<sup>77</sup>Newsweek, XXVI (December 10, 1945), 34-5.

<sup>78</sup>Ibid.

<sup>79</sup>Arthur Krock, "Issues in Hurley Blast," New York Times, November 28, 1945, 3:2.

<sup>80</sup>New Republic, CXIII (December 10, 1945), 781-2.

of his charges was heard in the halls of the Capitol. This development marked a new chapter in Hurley's controversy with the Foreign Service Officers. The former Ambassador was determined to vindicate himself publicly.



## CHAPTER VIII

### SEARCH FOR PUBLIC VINDICATION

Administration leaders wanted to avoid a full-scale investigation of Hurley's charges. Anything might be uncovered, and at best, his accusations would only be discredited. Even the latter could have a dangerous impact upon the Congressional elections which were in the offing. The demands for a hearing, though, were numerous and loud.

There had been some pro-Hurley sentiment in Congress prior to this time, and various individuals hoped to use the former Ambassador's resignation to their advantage. There were those whose particular interest was China and the preservation of the Nationalist regime; others basically mistrusted professional diplomats; and fear of Communism was common to many and a passion to some. Certain Republican Congressmen also saw the potential aid of an investigation in their battle with the administration.

Hurley's attack gave all these people the opportunity for which they had been waiting. Consequently, the Capitol was the scene of several debates, with the opposing sides largely on a partisan basis.

On November 28, during a long emotional speech in

which he stated that the charges being leveled by the former Ambassador against the State Department bordered "on treason," Senator Kenneth S. Wherry, Republican from Nebraska, introduced a resolution calling for an inquiry by a special committee "of five Senators to be appointed by the President of the Senate . . . ." <sup>1</sup> Three of the key responsibilities to be assigned this group were: (1) to investigate the "policies, operations, administration, and personnel of the Department of State"; to determine "whether any personnel of the Department of State have shaped or influenced or have attempted to shape our foreign policies or our operations in any foreign countries with a view toward establishment of a Communist form of government in such nations"; and to discover "the extent to which personnel of the Department of State are in sympathy with Communist ideology . . . ." <sup>2</sup>

A heated and totally partisan exchange followed this speech. The principal speakers were Wherry, Styles Bridges, Republican from New York, and Tom Connally, Chairman of the Senate Foreign Relations Committee and Democrat from Texas.

Pointing out at length the inconsistencies and lack of specific evidence in Hurley's allegations, Connally declared his amazement that Wherry "so hurriedly swallowed

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<sup>1</sup>Congressional Record, 79th Cong., 1st sess., XCI, Part 8, 11111-2.

<sup>2</sup>Ibid. See also resolution in "Investigation," 187.

the entire statement of former Ambassador Hurley."<sup>3</sup> The Senator from Texas further criticized Wherry's resolution by asserting that there was a mania for special committees, thus implying his feeling that if there was any investigating to be done, the Senate Foreign Relations Committee was the one to do it.<sup>4</sup>

Bridges then entered the discussion by accusing Connally of "trying to make jest of a very serious matter."<sup>5</sup> Senator Connally denied the accusation but admitted that he was "trying to show the ridiculous attitude of the former Ambassador to China."<sup>6</sup> Considerable argument ensued between the two men with Connally finally calling upon the "Senators and the country to treat questions involving our foreign relations not as partisans but as Americans."<sup>7</sup>

He also assured his fellow Senators that he had "no disposition to impede, hinder, or delay a thorough investigation."<sup>8</sup> Although of the opinion that "the basis for an investigation is rather meager because no specific charges are made," he was "perfectly willing to have General Hurley appear before the Committee on Foreign Relations or any

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<sup>3</sup>Congressional Record, 79th Cong., 1st sess., XCI, Part 8, 11112-4.

<sup>4</sup>Ibid.

<sup>5</sup>Ibid., 11114.

<sup>6</sup>Ibid.

<sup>7</sup>Ibid., 11115.

<sup>8</sup>Ibid.

other committee, and invite him to set forth the charges and indictments which he wishes to bring . . . ."9 After further discussion, the debate finally ended with the unstated certainty that the Senate Foreign Relations Committee would look into the former Ambassador's allegations.<sup>10</sup>

Two days later, on November 30, Mrs. Edith N. Rogers, Republican from Massachusetts, introduced another resolution concerning Hurley in the House of Representatives.<sup>11</sup> This one requested the "Secretary of State to give information regarding the resignation of General Patrick J. Hurley and the sabotage of our foreign policy in China to the Committee on Foreign Affairs."<sup>12</sup> Her resolution, which was No. 443, was not acted upon, however, until after the Senate Foreign Relations Committee began its hearings.<sup>13</sup>

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<sup>9</sup>Ibid.

<sup>10</sup>Ibid., 11117-8.

<sup>11</sup>On the 29th, two additional resolutions had been introduced in the House. Neither referred specifically to the former Ambassador's charges, but one called for a complete investigation of the Department of State and the other for a study and investigation of all phases of American foreign policy. Ibid., 11233. Both of these proposals died in the Committee on Rules.

<sup>12</sup>Ibid., Part 9, 11280.

<sup>13</sup>One source indicates that in addition to the invitation from the Senate Foreign Relations Committee, two other Congressional Committees asked Hurley to appear before them--the House Committee on Un-American Activities and the House Military Affairs Committee. See Newsweek, XXVI (December 10, 1945), 34-51. There is no evidence of any hearings, though, by these Committees on Hurley's charges during the remainder of 1945 or 1946.

The administration's efforts to stifle the uproar over the former Ambassador's resignation unsuccessful, it was determined that the Senate Committee would hold an investigation beginning December 5. Because Hurley opposed the concept of conducting hearings in secret, the committee decided, on December 3, to make their investigation open to the public.<sup>14</sup>

The atmosphere outside the Capitol was also filled with tension by this time. The China situation was steadily worsening, and the former Ambassador's charges had caused a great deal of agitation as well as sincere concern. While purported Communists were picketing the State Department with signs demanding a hands-off policy in China and immediate withdrawal of all American troops<sup>15</sup> the supporters of the Nationalist government were mustering their forces and becoming more vocal.

In this environment, it is not surprising that the hearings were turbulent. Drawn by promises of "revelations of skullduggery in diplomatic high places," the hearing room was jammed to capacity.<sup>16</sup> The "excitement seekers" were not disappointed by Hurley's two day "pyrotechnic display" before the committee.<sup>17</sup> The first and star witness, he

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<sup>14</sup>New York Times, December 4, 1945, 2: 4.

<sup>15</sup>Ibid.

<sup>16</sup>Newsweek, XXVI (December 17, 1945), 38-9. <sup>17</sup>Ibid.

looked the very model of a distinguished statesman as he rose to give testimony, but his demeanor soon became ruffled. One particular source of irritation to the former Ambassador was the failure of the State Department to grant his request for the use of certain departmental documents which he insisted would prove his charges, and he continually referred to this denial throughout his testimony. Whenever asked for more information, Hurley would say that if he only had the documents he could provide the evidence.<sup>18</sup>

As the former Ambassador boomed out his indictment during two days of testimony, the tension mounted. It rapidly became evident that the partisanship which had characterized the debate over the hearings had increased. Senator Bridges, who was especially concerned about pro-Russian influences in the State Department, supported Hurley, and most of his fellow Republican members followed suit. The former Ambassador, though, was not without his critics, and he soon was antagonized by several of the Senators, especially Connally.

The Chairman was quite curt with Hurley, and the

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<sup>18</sup>"Investigation," 24-5, 108. Although the request was undoubtedly denied for security reasons, the failure to supply these papers must have stimulated more doubt in the minds of some. The documents, which were only memoranda written by the Foreign Service Officers and contained no startling information, were made available to the committee in closed sessions.

latter responded with great emotion. Within a short while, the two men were on acrimonious terms and remained so throughout the hearings. At one time the former Ambassador asked Connally if the Senator was being "fair to a servant of this nation who has done the work I have endeavored to do for it? Am I on trial?"<sup>19</sup> In a similar outburst, Hurley voiced the belief that he was being approached as if he were being prosecuted, and he asserted that he "was not going to be led as though I were a bootlegging witness on the stand."<sup>20</sup> Connally responded by telling the former Ambassador that he should control his emotions better.<sup>21</sup>

During one especially heated session between them, Hurley asked, "Do you want me to testify or would you like to testify for me?"<sup>22</sup> Connally replied, "I think you would do well if you had somebody to testify for you."<sup>23</sup> At another time the former Ambassador was asked by Connally if he regarded "anybody's divergence from or disagreement with anything you recommended as being an overthrow of the American Government policy?"<sup>24</sup> Hurley angrily retorted: "Indeed not!"<sup>25</sup> While exchanges such as these were

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<sup>19</sup> Ibid., 100-1.

<sup>21</sup> Ibid.

<sup>23</sup> Ibid.

<sup>25</sup> Ibid.

<sup>20</sup> Ibid., 68-9.

<sup>22</sup> Ibid., 108.

<sup>24</sup> Ibid., 247.

occurring on the floor of the Senate, the spectators frequently demonstrated, thereby causing the Chairman to reprimand them and threaten that the hearings would be closed to the public.<sup>26</sup>

It was under these conditions that Hurley reiterated, at great length and in a variety of ways, the various reasons for his resignation, especially his charges against the Foreign Service Officers and the Department of State. Although stating his agreement with American policy in China, he criticized the Department for not making an official announcement of that policy. Hurley maintained that if there had been one, he not only would not have resigned<sup>27</sup> but he "would not have been defeated in China by the gentlemen of the State Department who claim that I was not upholding the policy of my country, that it was a policy evolved by me and not by the United States . . . ." <sup>28</sup> He had resigned only when he realized that he had again been "left naked to his enemies."<sup>29</sup>

When Connally asked the former Ambassador if he meant something in the paper by his request for a public policy statement, Hurley retorted: "Senator, I resent that. That is not true! I want my Government to say what its

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<sup>26</sup>Ibid., 91-2.

<sup>28</sup>Ibid., 9, 15.

<sup>27</sup>Ibid., 7.

<sup>29</sup>Ibid., 63.



policy is in China, and not be pussy-footing and running away from the truth, and holding me out and letting me get beaten up about it and will not tell what its policy is."<sup>30</sup>

The former Ambassador also testified that he had never received any instructions from the State Department.<sup>31</sup> Despite all these difficulties, he had been able to carry out his directives successfully. Restating them as they had been listed in his letter of resignation, Hurley added that there had also been the following secondary objectives: (1) to unify the anti-Japanese military forces in China; (2) to prevent civil war; and (3) to support the aspirations of the Chinese people to establish for themselves a free, united, democratic government.<sup>32</sup>

Following this statement of his directives, he repeated with great vehemence his allegations against the Foreign Service Officers. He asserted that the officers

opposed the policy [of the United States] ; that they continuously advised the Chinese Communist armed party; that they recommended in my absence that the Chinese Communist armed party, a belligerent whose purpose was to destroy the government that I had to sustain, be furnished lend-lease arms and equipment, and because I opposed that as destructive of the government that I had been directed to uphold, they charged me with making my own policy in China and said that it was not the policy of the United States Government.<sup>33</sup>

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<sup>30</sup>Ibid., 91. As evidenced by this statement, Hurley became so upset and emotional during the hearings that he sometimes failed to talk coherently.

<sup>31</sup>Ibid., 40A.

<sup>32</sup>Ibid., 30.

<sup>33</sup>Ibid., 38.

Hurley further asserted that these men knew what United States policy was because in January, 1945, he had held a meeting of all the American agencies in China at which time he had presented the policy. There could have been no misunderstanding, therefore, about it.<sup>34</sup> In later testimony, he stated that the meeting was called because he had realized that he did not "have the support of the career men at my Embassy . . . ." <sup>35</sup> His effort resulted, however, in no amelioration of the problem because the men "continued to try to destroy the American policy in China."<sup>36</sup>

Requested to give the names specifically of the officers who undermined the policy, the former Ambassador first named Service and Acheson. Pressed for others, he added Davies, Fulton Freeman, and Arthur Ringwalt.<sup>37</sup> It was brought out, though, during the questioning that Davies and Service were not under Hurley's authority. Concerning Service, the former Ambassador stated that if the young officer had been under his control, "he would have taken him

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<sup>34</sup>Ibid., 41.

<sup>35</sup>Ibid., 54.

<sup>36</sup>Ibid., 99. During this phase of the hearings, Connally also asked Hurley about his earlier diplomatic assignments and if he had had the support of the career men and the Department of State on them. The former Ambassador answered that they had supported him in all the others except his mission in Iran where "they interfered and destroyed the American policy . . . ," and he specifically cited Dean Acheson. Ibid., 107.

<sup>37</sup>Ibid., 67-8.

out immediately. I could not control him. He said he was serving the commander of American forces in China--anything to oppose the American policy of sustaining the government of the Republic."<sup>38</sup>

When Hurley was asked for more information about his accusations, he replied that his contention with the professional diplomats was that "when the 'die is cast,' when the decision is made, when the policy is announced by the duly-constituted authority, it becomes the duty of every one of us to make that policy effective; and I charge that these gentlemen did not do that. They continued to snipe the policy and tried to defeat it."<sup>39</sup> He was not charging the officers with being "disloyal to the American Government," but of being "disloyal to the American policy."<sup>40</sup> The former Ambassador even conceded that these men were possibly imbued with the crusader spirit and sincerely believed that it would be best for China if the Nationalist government were destroyed or allowed to fall. Although he agreed "with them on a lot of their criticisms, our directive, mine and theirs, was to prevent the collapse of the Government and to uphold the leadership of Chiang Kai-shek, and whether I believed it or not, as soon as that policy was made by my superior it became my duty to make it effective."<sup>41</sup>

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<sup>38</sup>Ibid., 17.

<sup>40</sup>Ibid.

<sup>39</sup>Ibid., 160.

<sup>41</sup>Ibid., 161.

Evidence was then catalogued by Hurley to prove that the actions of the Foreign Service Officers were somewhat successful in undermining American policy since it was not "exactly" the same following their criticisms. He cited as one example of their influence the policy paper of January 29, 1945, which stated that if the military landed on the coast of China, it would have the right to arm all forces who would be in a position to assist the United States landing force. The cablegram from the State Department, dated May 15, which outlined "military and policy objectives in China that were contrary to the instructions" that he received was pointed to as additional proof.<sup>42</sup> Hurley also interpolated that a second message, sent from the Department on February 16, 1945, which told him "not to become a mediator or an adviser in the Chinese situation," resulted from Service's interference.<sup>43</sup>

A more damning accusation against Service was the former Ambassador's inference that the young officer gave information to the Communists. Hurley asserted that immediately after the military policy paper of January 29 was written, the Communists started moving into the areas where it was likely that such a landing would take place. As further evidence of this accusation, he pointed out that he had

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<sup>42</sup>Ibid., 99.

<sup>43</sup>Ibid.

learned of the plan from the Communists rather than from the State Department personnel.<sup>44</sup>

When Connally later inquired of the former Ambassador how the Foreign Service Officer advised the Communists that his views were not those of the United States government, a bitter exchange between the two ensued. Hurley replied by asking again for the State Department documents which he had requested earlier. When Chairman Connally repeated his question, Hurley retorted: "By writing and by talking and by being with them [the Communists] ."<sup>45</sup> As debate continued, it became evident that the former Ambassador's only proof was the memoranda which any of the officers, such as Service or Acheson, wrote to Stilwell or the State Department.<sup>46</sup>

Hurley continued his attack on Service by citing the officer's report of October 10, 1944 as "the first outward evidence I had of a plan not to uphold but to cause the collapse of the Government of the Republic of China."<sup>47</sup> He had earlier stated that this memoranda was "a general statement of how to let the government that I was sent over there to sustain fall; and that report was circulated among the Communists whose support I was seeking for our policy."<sup>48</sup> When Senator Bridges interrupted to question the Ambassador

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<sup>44</sup>Ibid., 83.

<sup>46</sup>Ibid., 179-81.

<sup>48</sup>Ibid., 16.

<sup>45</sup>Ibid., 179-80.

<sup>47</sup>Ibid., 89.

further, he asserted, and Hurley concurred, that such a report, and others similar to it, interfered seriously with what Hurley was "attempting to do in upholding the Chinese Republic and bringing about better relations between the Chinese Republic and the Chinese Communists," and was "a blow" against the United States.<sup>49</sup>

The former Ambassador also discussed the telegram sent by George Atcheson on February 28, 1945, and testified that it had been sent to convince the United States to give aid to the Communists so that the Nationalist government would be destroyed.<sup>50</sup> Although acknowledging that there were many ideas in the telegram with which he did not disagree, "in fact, a lot of them are taken from my own statement," Hurley disagreed with the suggestion to arm the Communists.<sup>51</sup> He was of the opinion that furnishing arms to the Chinese Communists would have been equivalent to the recognition of a belligerent and would have resulted in the inevitable collapse of the Nationalist government which the United States had recognized as the government of China.<sup>52</sup> The former Ambassador also felt it was significant that this message, which he regarded as positive evidence of sabotage, not only had "the support, the acquiescence, of every official

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<sup>49</sup>Ibid., 89.

<sup>51</sup>Ibid., 49.

<sup>50</sup>Ibid., 43.

<sup>52</sup>Ibid., 130, 40D.

member of the American Embassy in Chungking,"<sup>53</sup> but had been sent when he was absent from China. As soon as he had left, "everybody attempted what they had been trying to do when the President sent me to China, and that was to destroy the Government of the Republic of China."<sup>54</sup>

Continuing on the same topic, Hurley testified that he had told the State Department, immediately after receiving the telegram, that if its recommendations "constituted the policy of the United States Government, it was a departure from the purpose for which I had been sent to China, and I wished they would leave Mr. Acheson in charge and let me stay at home."<sup>55</sup> The result was that "after many days of argument Mr. Acheson was recalled, because he had shown in my absence he had advocated a policy that I felt was destructive to unification."<sup>56</sup> Agreeing to return to China only because he thought he "was going to have a policy of the United States recognized by the State Department," Hurley had been disappointed to discover that "the State Department . . . absolutely declined to back up the policy I had been sustaining in China."<sup>57</sup> There was "no stoppage" of the attempts of the career officers to bring about the collapse of the

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<sup>53</sup>Ibid., 41.

<sup>54</sup>Ibid., 43.

<sup>55</sup>Ibid., 49.

<sup>56</sup>Ibid.

<sup>57</sup>Ibid., 75.

Nationalist government.<sup>58</sup>

The later appointments of the men whom he had had recalled were also discussed at length, and the former Ambassador cited them as basic reasons for his resignation. He asserted that both Service and Acheson had first been placed in "supervisory capacities in the State Department at Washington, and it meant that I had over me men who disapproved of the policy that I was told to make effective in China."<sup>59</sup> As their next assignment, these men were appointed advisers to General MacArthur in Japan, which was not only reprehensible to him but perhaps had prevented him from achieving an agreement between the Nationalists and Communists. Hurley had been mediating between the two opposing groups at the time when these appointments occurred, and

the papers in China, especially in Yenan, and the radio, said that Acheson and Service and so forth had won out over me, and I had not been representing the United States policy, and the papers said they were coming back to China and therefore the Communists should not unite, and these gentlemen are over there now as advisers to the Supreme Commander in Asia, and my contention is that they have not supported but have opposed the American policy in Asia.<sup>60</sup>

"Mao Tse-tung himself" had even told him that "the appointment of George Acheson and John Service indicated that the United States was not going to follow through on

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<sup>58</sup>Ibid., 99, 102.

<sup>59</sup>Ibid., 50.

<sup>60</sup>Ibid., 57.



its unification program that I was trying to present."<sup>61</sup> Although both Hurley and the Nationalist government had protested the assignments of these men on the basis that they opposed American policy in China, their protests had been ignored.<sup>62</sup>

Despite his criticism of the professional diplomats for sympathizing with and supporting the Chinese Communists, the former Ambassador stressed many times during his appearance before the committee that the Communists in China were very different from the Russian Communists. In fact, the Chinese Communists supported the same principles as the Nationalist government.<sup>63</sup> In addition, Hurley noted several times that the Soviet Union neither recognized nor aided the Chinese Communist party. Rather than desiring civil war in China, Russia wanted closer and more harmonious relations with the Nationalist government.<sup>64</sup>

Before the former Ambassador ended his testimony, he asked to make a final statement to complete the record. In this he emphasized that his "one endeavor" in the

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<sup>61</sup>Ibid., 60.

<sup>62</sup>Ibid., 58. Bridges commented later in the investigation that the assignment of Service and Atcheson as advisers to MacArthur was "the most ridiculous thing I ever heard of . . ." Ibid., 124.

<sup>63</sup>Ibid., 40E.

<sup>64</sup>Ibid., 40E, 164, 177-8.

investigation was "to bring the attention of the Committee to the fact that announced American policy is being defeated, and has been defeated, all over the world, not alone in China."<sup>65</sup> Asserting that the perpetration of this defeat was an "inside job,"<sup>66</sup> Hurley also stated that various sources, such as the F.B.I. and the military intelligence services, possessed records which could provide evidence of this conspiracy to defeat United States policy.<sup>67</sup>

With the former Ambassador's testimony concluded, Secretary of State Byrnes took the stand to present the State Department case. Beginning with a commentary on America's policy in China, he stated that the immediate goal had been to promote a military union of the Nationalists and Communists in order to bring their combined power against Japan. The "longer range goal, then as now, and a goal of at least equal importance is the development of a strong, united democratic China."<sup>68</sup> Although the United States government believed "as we have long believed and consistently demonstrated, that the government of Generalissimo Chiang Kai-shek affords the most satisfactory base for a developing democracy," it also believed that the Nationalist

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<sup>65</sup>Ibid., 171.

<sup>67</sup>Ibid., 170.

<sup>66</sup>Ibid.

<sup>68</sup>Ibid., 189.

government "must be broadened to include the representatives of those large and well organized groups who are now without any voice . . . ."69 Byrnes noted that Hurley, in interpreting his directives, had placed the greatest emphasis, though, upon United States support of the Nationalist government.70

Denying the former Ambassador's allegation that American policy had never been made public, Secretary Byrnes testified that "the broad outlines of our policy in China have never been hidden or difficult to recognize."71 In light of this, it was "difficult to understand Ambassador Hurley's intimation that his failure to achieve a satisfactory settlement of China's internal division resulted from the absence of a public expression of our policy."72 Quizzed about Hurley's testimony that he had asked the Secretary to make a public statement, Byrnes asserted that he had never "been informed of any written document in the possession of the Department of State in which the Ambassador has made such a request,"73 nor had Hurley ever "made such a request in conversation with me."74

The Secretary also repudiated the former Ambassador's accusation that the men he had dismissed were placed in

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<sup>69</sup>Ibid.

<sup>71</sup>Ibid.

<sup>73</sup>Ibid., 192.

<sup>70</sup>Ibid., 191.

<sup>72</sup>Ibid., 192.

<sup>74</sup>Ibid., 193.

supervisory capacities. He pointed out that Acheson, after his recall from China, had been made a Special Assistant to the official in charge of the Office of Far Eastern Affairs, a position which was in no way superior to that of Hurley's.<sup>75</sup> Similarly, Service had been assigned to the Personnel Office of the Foreign Service Administration, a non-supervisory post.<sup>76</sup>

In September, 1945, the names of Acheson and Service had been submitted to Secretary of War Stimson for MacArthur's approval as aides because few people were familiar with affairs in the Far East. The two officers received official permission and were assigned to the General, but the posts had no control over Hurley.<sup>77</sup>

A resolute defense of all employees of the Department of State, especially the Foreign Service Officers, was a major portion of the Secretary's testimony. Possessing a "high regard for their ability, integrity and loyalty" as a result of his own experience with them, he described the officers as men who had "long labored earnestly and with too little public recognition to uphold abroad our national interests."<sup>78</sup>

Byrnes discussed Acheson and Service specifically and asserted that the information he possessed revealed

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<sup>75</sup>Ibid., 217.

<sup>77</sup>Ibid., 222

<sup>76</sup>Ibid., 221-2.

<sup>78</sup>Ibid., 194.

nothing to support the charge that either of them was "guilty of the slightest disloyalty to his superior officers."<sup>79</sup> The crux of the problem between the two men and Hurley was merely that the officers within proper channels, had "expressed to those under whom they served certain views which differed to a greater or less degree from the policies of the Government as then defined."<sup>80</sup> The Secretary staunchly defended the right and responsibility of diplomats to present their observations. Although it was the duty of every officer of the United States to abide by and to administer the declared policy of the government,

conditions change, and often change quickly in the affairs of governments. Whenever an official honestly believes that changed conditions require it, he should not hesitate to express his views to his superior officers . . . . I would be profoundly unhappy to learn that an officer of the Department of State, within or without the Foreign Service, might feel bound to refrain from submitting through proper channels an honest report for fear of offending me or anyone else in the Department. If that day should arrive, I will have lost the very essence of the assistance and guidance I require for the successful discharge of the Heavy responsibilities of my office.<sup>81</sup>

Service's report of October 10, 1944, and Acheson's telegram of February 28, 1945, were also analyzed by him because they were "the documents upon which the Ambassador

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<sup>79</sup>Ibid., 198.

<sup>80</sup>Ibid., 199.

<sup>81</sup>Ibid.

appears to rely most strongly for support of his charge that these two officers sought to prevent the accomplishment of the objectives of United States policy in China."<sup>82</sup> Discussing Service's memorandum, Byrnes pointed out that at the time it was written, the officer was not attached to the Embassy but to Stilwell's staff. Service was, therefore, "administratively responsible to General Stilwell and not to the Embassy."<sup>83</sup> Moreover, since Hurley had not yet been appointed ambassador and was not in charge of the Embassy, it could not be said "that anything Mr. Service wrote constituted insubordination to Ambassador Hurley."<sup>84</sup>

Byrnes did admit that the October report had been "written in forceful language" with "rather drastic" conclusions entailing a basic change in United States policy toward the Nationalist government, and he stressed, no doubt in defense of the State Department, that the memorandum had not been completely accepted by the Department. The Embassy in Chungking had sent the document to Washington without endorsing its conclusions and had indicated in a "noncommittal covering memorandum" that it represented the views of a single

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<sup>82</sup>Ibid., 196. See also Byrnes Statement, Hurley Papers.

<sup>83</sup>Ibid., 196-7.

<sup>84</sup>Ibid., 197.

observer. Furthermore, when the report reached the Department, it had been sent to the Division of Chinese Affairs where another covering memorandum was attached "stating decisively that although its contents were informative, many of its conclusions, which were specifically enumerated, were regarded as incorrect."<sup>85</sup>

Although acknowledging that the February 28 telegram had also made recommendations that would have involved a change in policy, he upheld it as being "a broad and thoughtful analysis of the situation in China as it appeared to the Embassy in light of the shifting circumstances of the moment," and "an honest effort to assist the Department of State in the formulation of its future policy in China."<sup>86</sup> Apparently dissatisfied with these comments, Arthur Vandenberg, Republican Senator from Michigan, quizzed the Secretary additionally about the message. First questioning him how he would feel if the Under Secretary of State told the President, while Byrnes was out of town, that he was completely in error, the Senator then asked the Secretary if he did not think that it would be fair to say that the Foreign Service Officers took advantage of Hurley's absence to register their dissent.<sup>87</sup>

Byrnes did not specifically answer the initial

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<sup>85</sup>Ibid., 198.

<sup>86</sup>Ibid., 195.

<sup>87</sup>Ibid., 213-4.

question but defended again the right of the Embassy personnel to send such a message. He noted that there was nothing to indicate that it had been sent at that specific time to circumvent Hurley; on the contrary the telegram had "expressly suggested that this was a matter upon which the views of Ambassador Hurley should be sought by the Department in Washington."<sup>88</sup> The Secretary further insisted that the Department of State had supported the Ambassador in any discussion of policy.<sup>89</sup>

Vandenberg then inquired what would have resulted if the recommendations contained in the message had been implemented. Byrnes quickly replied that only changes in method, not policy, had been suggested.<sup>90</sup>

In response to questions interjected by Senator Theodore J. Green of Rhode Island, the Secretary reiterated that the Foreign Service Officers had submitted their suggestions through proper channels. He also pointed out that the February telegram had contained no hint that the staff would act in any way contrary to the policy of the Department of State until or unless that policy was changed.<sup>91</sup>

Still concerned, Vandenberg questioned Byrnes again later in the investigation as to what his attitude would be

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<sup>88</sup>Ibid., 215.

<sup>90</sup>Ibid., 218.

<sup>89</sup>Ibid.

<sup>91</sup>Ibid., 226-7.



if something similar happened to him. The Secretary replied this time that he would not be happy if a subordinate criticized all his efforts, but Acheson's telegram had not done that. Connally interrupted at that moment to point out that the situation was changing very rapidly in China at the time of the message, inferring that the Embassy staff was merely attempting to keep Washington informed of current developments.<sup>92</sup>

During this part of his testimony, Byrnes also discussed Hurley's charge that some of the Foreign Service Officers advised the Chinese Communists that he, as Ambassador, did not accurately represent United States policy. Asserting that he would be the first to condemn such an act and dismiss the person responsible, the Secretary pointed out that "Ambassador Hurley has not furnished me, nor do I understand that he has furnished this Committee, any specific evidence to prove that any employee was guilty of such conduct."<sup>93</sup> When Bridges asked if Hurley had ever told him that Acheson and Service had made direct or improper communication with the Communists, the Secretary retorted, "No."<sup>94</sup>

As Byrnes reviewed his position before the committee, he indicated again his belief that Hurley's accusations

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<sup>92</sup>Ibid., 257-8.

<sup>93</sup>Ibid., 199-200.

<sup>94</sup>Ibid., 223.

against all personnel of the Department of State, especially the Foreign Service Officers, were without substantiation. The employees should not only be exonerated but praised as well. He concluded that "men who have rendered loyal service to the government can not be dismissed and their reputations ought not to be destroyed on the basis of suspicions entertained by any individual."<sup>95</sup>

Before the Secretary of State left the stand a number of additional questions were posed by the Senators. There was still some concern about Hurley's complaints, especially his charge of leakage of information from the State Department, and Byrnes was asked specifically about the DeLacy incident. The Secretary replied that there were always leaks. He then added that if everyone who was criticized resigned, there would be mass resignations.<sup>96</sup>

Bridges set off a heated debate with Byrnes by asking him if he would fire someone who was disloyal. When the Secretary answered, "yes," with great vehemence, the Senator brought up the Amerasia case.<sup>97</sup> Hurley had briefly alluded to it as partial substantiation of his beliefs about Service.

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<sup>95</sup>Ibid., 200.

<sup>96</sup>Ibid., 221.

<sup>97</sup>In June, 1945, John S. Service, with five others, was arrested on charges of conspiracy to violate the espionage statutes, but in August, the Grand Jury returned a unanimous no true bill on the officer. See Chapter IX for the complete story.

Bridges wanted information about the reinstatement of Service in the Foreign Service following the case, especially Byrnes' letter to the officer informing him of his reinstatement and congratulating him on it, and he asked the Secretary if he could "by any stretch of the imagination justify such a letter . . . ."98 Byrnes emphatically retorted that he could, and not by any stretch of imagination, and he explained in detail his thorough gathering of information on the case, all of which indicated that Service had been completely exonerated. "Therefore, there was no excuse in my opinion for me to refuse to reinstate this man; and that is why I wrote this letter; and I stand by that letter . . . ."99

The Senator then asked if the case against the Foreign Service Officer had been "dropped" because of pressure and if Byrnes were aware of any secret telephone call from "a very high-up" in the nation to a Department of Justice official telling him to "lay off Service."<sup>100</sup> After responding with an angry no, the Secretary demanded to know who had made such charges. Bridges replied that he could not prove anything, but he had been given the information "on good authority."<sup>101</sup> Byrnes retorted that if the Senator

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<sup>98</sup>Ibid., 236.

<sup>100</sup>Ibid., 239.

<sup>99</sup>Ibid., 238-9.

<sup>101</sup>Ibid., 239-40.

could not prove such a statement, he should not make it as it was a charge against a high official. When Bridges hurriedly replied that he had not named anyone, Secretary Byrnes asserted, "Oh! That charges all by implication!"<sup>102</sup> Despite this exchange, the Senator continued to question the propriety of Service's reinstatement and asserted at length his belief that there should be a more thorough investigation of all State Department employees.<sup>103</sup>

When the committee ended their questioning of the Secretary of State, Theodore H. White, the last witness to appear, was called. White testified for a group of five newspaper correspondents, Richard Watts, Jr., Eric Sevareid, Annalee Jacoby, Jack Belden, and himself. They had earlier sent a letter to Connally offering to testify in defense of the State Department personnel.

In the letter, they attested to the "complete integrity and conscientious devotion to American interests of the career diplomats whom Mr. Hurley so indiscriminately attacks,"<sup>104</sup> and stressed that the Foreign Service Officers were "reporting the truth to the American Government as they saw it."<sup>105</sup> In the opinion of the correspondents, the reason

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<sup>102</sup>Ibid., 240.

<sup>103</sup>Ibid., 244-6.

<sup>104</sup>The letter was included in the record of the hearings. Ibid., 310.

<sup>105</sup>Ibid., 311.

for the controversy between the officers and Hurley was that "Mr. Hurley disagreed with them and he got rid of them."<sup>106</sup> By so doing, the former Ambassador "deprived himself and the State Department of American sources of information that his predecessors had found both valuable and objective."<sup>107</sup>

White's testimony was also a vigorous repudiation of Hurley's allegations. Certain that there was "no attempt whatsoever to sabotage General Hurley's policies in China"<sup>108</sup> or "to sabotage, undermine, or overthrow the Government of Chiang Kai-shek"<sup>109</sup> by "any career officer of the State Department,"<sup>110</sup> he stressed that the professional diplomats had fought zealously to achieve a united, democratic China. The veteran reporter then reiterated Byrnes' belief that the value of Foreign Service Officers was in their reporting what they saw or believed and not in tampering with memoranda to fit or agree with the opinions or prejudices of their superiors. If "their opinions differed with those of General Hurley, that is regrettable, they reported the facts as honestly as it can be done."<sup>111</sup>

Noting Service and Davies specifically, White pointed out that neither of these officers were responsible to

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<sup>106</sup>Ibid.

<sup>108</sup>Ibid., 314-5.

<sup>110</sup>Ibid., 314-5.

<sup>107</sup>Ibid., 311-2.

<sup>109</sup>Ibid., 319.

<sup>111</sup>Ibid., 316.

Hurley. He especially defended Service, praising his record. Discussing his close friendship with the officer, the correspondent asserted that he was "absolutely" certain that Service "was not conspiring with anybody to overthrow our Government."<sup>112</sup>

After his opening statement, White was questioned by the Senators. When asked for more details about the differences between Hurley and the Foreign Service Officers, especially Acheson and Service, he replied that he did not know the precise nature of the problem, but he did "know that Service and Acheson were reporting the truth at all times. If ever General Hurley found their opinions later on differing from his, he called them an attempt to sabotage his policy."<sup>113</sup> Senator Vandenberg interjected the opinion that the issue was probably not one of conspiracy, but it was possible for a perfectly honest opinion to have a deadly impact on American policy, and he referred specifically to the question of furnishing lend-lease to the Chinese Communists.<sup>114</sup>

The correspondent's answer to this additional question of whether the diplomats had ever stated that the policy as laid down by Hurley was not the American policy, he retorted, "Never, once! Never, once!"<sup>115</sup> Moreover, whenever these men spoke of policy, it "was always the American policy, as I

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<sup>112</sup>Ibid., 318.

<sup>114</sup>Ibid., 318.

<sup>113</sup>Ibid., 321.

<sup>115</sup>Ibid., 321.

understood it, broadly defined by our Government."<sup>116</sup> In conclusion, White said that he and his fellow reporters had been surprised at the charges and felt they should come to testify because of their belief that the Foreign Service Officers "had served our country as honorably as possible."<sup>117</sup>

When all the testimony was ended, the committee spent three hours behind closed doors examining the secret State Department records on China which Hurley said would prove his charges. The reports by the Foreign Service Officers were also read.

Apparently some members of the committee, probably the Republicans, felt the investigation should be continued and expanded. Hurley also asked to testify at another open session. Connally not only turned down this appeal but told the Senate Committee that there would be no action on requests for a "top to bottom" investigation of the State Department, and on December 12, the hearings were declared closed.<sup>118</sup>

That same day the resolution introduced earlier in the House of Representatives by Mrs. Rogers to inquire into the former Ambassador's charges was reported back adversely

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<sup>116</sup>Ibid., 322.

<sup>117</sup>Ibid., 326.

<sup>118</sup>New York Times, December 12, 1945, 1:4, 15.

by the Committee on Foreign Affairs.<sup>119</sup> Despite the Congresswoman's protests, her resolution was tabled, and this effort to hold another Congressional investigation was quelled.<sup>120</sup>

Initially there was little opposition to the above decisions, and public and Congressional criticism of America's China policy was at a minimum. The former Ambassador's rambling testimony apparently convinced most people that behind his magnificent facade was a man who had met defeat but could not accept it.<sup>121</sup> Press reports also expressed the opinion that the investigation had revealed that the Foreign Service Officers had been advocating State Department policy and that Hurley did not have the facts to back up his charges.<sup>122</sup>

With the Senate investigation officially concluded and press and public opinion seemingly favorable, several groups hoped that the "Hurley affair" was at an end. The former Ambassador's accusations had been extremely distressing to the Foreign Service Officers against whom they were

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<sup>119</sup>Congressional Record, 79th Cong., 1st sess., XCI, Part 9, 11931.

<sup>120</sup>Ibid., 11189-90.

<sup>121</sup>Time, XLVI (December 17, 1945), 18-19.

<sup>122</sup>Newsweek, XXVI (December 17, 1945), 38-9. See also New York Post, December 8, 1945 and New York Herald Tribune, December 10, 1945, Clipping Book, Hurley Papers.



leveled. Service and Acheson, the two officers Hurley had primarily focussed upon, had telegraphed the Department on December 6 asking if they should issue public statements since the former Ambassador's "continuous assaults together with the falsity and apparent vindictiveness" of his comments placed them in a position where some kind of refutation appeared unavoidable.<sup>123</sup> Acheson then declared that Hurley's charges that the Foreign Service Officers were sympathetic to Communism and European imperialism were "so empty . . . as to merit no further comment."<sup>124</sup>

On December 7, Acheson sent another brief message denying the former Ambassador's charges,<sup>125</sup> and on the 8th, he sent a statement for the Department to use as it wished. The officer discussed the February 28, 1945 telegram pointing out that it was an official confidential message to the Department and for discussion with Mr. Hurley. Since its subject matter was not "made known to or discussed with any Chinese or foreigner or anyone in Chungking outside the Embassy," Acheson could not understand how "Mr. Hurley could

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<sup>123</sup>Acheson to Secretary of State, December 6, 1945, Foreign Relations: 1945, VII, 728-9.

<sup>124</sup>Ibid., 729.

<sup>125</sup>Acheson to Secretary of State, Foreign Relations: 1945, VII, 730-1.

consider it in any way a 'sabotage' of American policy."<sup>126</sup>  
Explaining that the telegram contained merely suggestions for the unification of Chinese military forces to be considered by the Department and Ambassador Hurley or to be ignored, he added that it was an

honest telegram which will stand the light of examination both from the point of view of its inception and its purpose. The situation between the Central Govt (sic) and the Communists was deteriorating and it was the clear duty of the Charge d'Affaires (myself) to submit for consideration any suggestions he could conceive which might possibly improve that situation.<sup>127</sup>

The officer then examined Hurley's attitude toward the Foreign Service Officers in China, explaining that the Oklahoman

began his assignment in Chungking with a strong prejudice against the Department and the Foreign Service and especially officers who had served with his predecessor. Even before his appointment was definite, I assured him that if he should become Ambassador, he would find that he had a competent professional staff of officers thoroughly devoted to the service and to their jobs, that they were making a life work of the service, that most of them had served under a number of chiefs, that they would be loyal to him as their new chief. I urged him to show confidence in them. I called the staff together and told them of these comments and all were in complete agreement that they would do their best for him. It was, however, a fixed idea with him that there were officers in the Foreign Service and American military officers who were in opposition to him.<sup>128</sup>

After noting that the Ambassador had neither informed the Embassy personnel of his assignment nor directly reported

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<sup>126</sup> Acheson to Secretary of State, December 8, 1945, Foreign Relations: 1945, VII, 732.

<sup>127</sup> Ibid., 732-3.

<sup>128</sup> Ibid., 733.

to the State Department. The officer noted that in the first messages the Ambassador finally sent to the State Department, he made "unwarranted and unbecoming references to his predecessor and . . . to the 'opposition' of Foreign Service and military officers."<sup>129</sup> Acheson had pointed out to Hurley that since no member of the Embassy "had known the details of his activities, no officers there could very well be in opposition to them; and that now that we knew what was in progress, no officer in the Embassy was in opposition to his activities or objectives but on the contrary all were staunchly in favor thereof."<sup>130</sup>

The officer emphatically concluded his message with the declaration that during the time he was in Chungking

there was not one officer at the Embassy who opposed in any way or was not in complete favor of the Ambassador's efforts to bring the Central Government and the Communists together . . . . The personnel and efficiency records of the officers he has attacked will all, I think, be found to contain statements as to their proven loyalty, integrity, subordination and devotion to duty under trying and sometimes dangerous wartime conditions. I regard his attacks upon those officers as well as upon me as completely unfounded, as based in the minimum on long standing prejudice, and as incomprehensible for any reasonable purpose especially in the light of our arduous efforts, against overwhelming odds, to assist him, to work for and with him and to please him.<sup>131</sup>

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<sup>129</sup>Ibid.

<sup>130</sup>Ibid., 734.

<sup>131</sup>Ibid. Acheson also denied that either Service or he had been involved in any activities which could sabotage Hurley's mission after they left China in the spring of 1945.

Service also sent a formal statement on the same day. After a brief summary of his early period of his assignment in China, he asserted that when Hurley became Ambassador, it was already apparent that he "identified private differences of opinion with 'opposition' and 'disloyalty'; and that he refused to accept factual reports if contrary to what he apparently wished to believe."<sup>132</sup> While the officer was on leave in the United States in late 1944, he had discussed this situation with the Chief of Foreign Service Personnel, indicating, however, that he was willing to return to China in response to Wedemeyer's request as he considered it an important job. Service related that as soon as he arrived in Chungking, Hurley had warned him that if he ever interfered with the Ambassador's mission, he would break him.<sup>133</sup>

The officer then discussed the background of the February telegram, pointing out that the situation was "of such gravity that I was asked to join the political reporting officers of the Embassy" in sending the message.<sup>134</sup> Service also explained his trip to Yen-an in March, 1945. The Communists were about to hold their first Party Congress in many years, and political observation was desirable. He was instructed, therefore, by the Chief of Staff to go to the

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<sup>132</sup>Service to Secretary of State, December 8, 1945, Foreign Relations: 1945, VII, 436.

<sup>133</sup>Ibid.

<sup>134</sup>Ibid.

Communist capital. Service went in an observer capacity only, and the Communist leaders "understood clearly that . . . [the officer] had no authority whatsoever."<sup>134</sup> Since his return from China in April, 1945, he had not been "concerned with China affairs of a policy nature."<sup>135</sup>

The officer next commented about the specific charges made against him by Hurley:

"I am not a Communist. This can be verified by anyone who knows me well."

"I did not 'sabotage' American policy in China. On the contrary, in answer to unavoidable questions by Communists, I explained the impossibility of American intervention in favor of a political party forcefully opposing a recognized government."

"I did not tell the Communists that Mr. Hurley's statements did not represent American policy. On the contrary, I never left doubt that they were the policy."

"I did not send any messages of any kind to the Communists; nor did I show my reports or other official reports to Communists or other Chinese; nor did I give the Communists, orally or otherwise, any classified American military information. Officers who were members of the Observer Group can confirm that we took all possible precautions to safeguard our reports."

"I did not advocate the collapse or overthrow of the Central Government."

"On the contrary, my reports will show that I consistently took the view that the Central Government could (and should) strengthen itself by liberalization which would promote unification of the country on a democratic basis, and that American influence should be exerted to that end."<sup>137</sup>

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<sup>135</sup>Ibid.

<sup>136</sup>Ibid., 737.

<sup>137</sup>Ibid., 738.

In conclusion, Service pointed out that since he had "conversation with Mr. Hurley on three times. On two of those, I was not asked and had no opportunity to express opinions . . . ," he was

"at a loss to understand his basis for the charges he has made against me. It seems obvious that he has not made a careful reading of my reports and he is now familiar with the background of my duties and assignments in China . . . ."

"Everything that I wrote in China was given to the Embassy at Chungking and presumably is a matter of record there or in the Department."

"I have received commendations from both General Stilwell and General Wedemeyer. I believe that my efficiency record in the Department of State is favorable."

"I have always considered myself a loyal officer of the American Government and the Department of State, and that I have exerted my efforts in the furtherance of American interests."138

All of the Foreign Service Officers who had been accused by the former Ambassador, especially Service and Acheson, felt that they had been completely exonerated as a result of the Senate hearings and that all question of their loyalty was a thing of the past. The administration was equally hopeful, but apparently not as confident for earlier, on December 7, Secretary of State Byrnes asked the Legal Adviser of the State Department to investigate Hurley's

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138 Ibid.

charges. The Legal Adviser was to learn if any of the career officers had ever (1) communicated information concerning Allied military plans for landings or operations in China to the Chinese Communists; (2) told the Chinese Communists that Hurley's efforts did not really represent the policy of the American government; (3) advised the Communists to refuse military unification unless they were given control; and (4) been otherwise disloyal to the United States government.<sup>139</sup>

As a result of the Legal Adviser's investigation, he concluded that Hurley's allegations were unwarranted. None of the "officers referred to by General Hurley or other employees of the Department ever communicated to the Communist faction in China any information concerning Allied military plans for landings or operations in China."<sup>140</sup>

While the

Foreign Service Officers referred to by General Hurley advocated that the base of the Chinese Government should be broadened to include representative elements in China, none advocated, as charged by General Hurley, the collapse of the National Government. They deny that they ever advised the Communists that Ambassador's Hurley's efforts to prevent the collapse of the National Government did not represent the policy of the United States.<sup>141</sup>

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<sup>139</sup>Memorandum by Secretary of State to the Legal Adviser, Foreign Relations: 1945, VII, 729-30. See also Feis, 411-2.

<sup>140</sup>Extracts of Memorandum, Legal Adviser to the Secretary of State, March 1, 1946, Foreign Relations: 1945, VII, 741.

<sup>141</sup>Ibid., 743.

The officers in question also refuted the charge that they advised the Communists "to decline unification with the Nationalist Army unless the Chinese Communists were given control."<sup>142</sup> The professional diplomats not only had never made such a suggestion but had never even entertained such a view. While they felt that unification of the Chinese forces was desirable, "none ever suggested, so far as is disclosed by the record, that the Communists should be given control."<sup>143</sup>

Despite such reassurance, both the officers and the administration leaders would discover that their hope was only wishful thinking. Hurley's charges did not end with the December hearings. The investigation had failed to clarify the major issues of America's China policy for the nation. There were also various groups and individuals who were not content to let his accusations die so easily.

Although the former Ambassador had insisted throughout the hearings that his only purpose was "to give the untarnished facts to the American public"<sup>144</sup> and that his attitude was nonpartisan and of the highest standard of integrity,<sup>145</sup> the investigation further intensified partisanship in Congress. The Republicans seized upon Hurley's charges as propaganda to discredit Truman and the Democratic party. Some hoped that the attack could also be used as an

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<sup>142</sup>Ibid., 743.

<sup>144</sup>"Investigation," 111.

<sup>143</sup>Ibid., 744.

<sup>145</sup>Ibid.



excuse for a major investigation of the State Department. The administration and its Democratic supporters, not surprisingly, responded with a tightening of party lines. Other people, both in and out of Congress and some of whom were Democrats as well as Republicans, thought the former Ambassador's accusations could be molded into a weapon to force the administration to give more aid to the Nationalist government.

Moreover, Hurley remained determined to plead his case again before the American public. He had hoped that his dramatic resignation would bring him the support and gratitude of the nation as well as "force public definition and approval of the American policy that he had upheld in China."<sup>146</sup> Although his first effort had failed to accomplish these goals, he would not be stopped. Hurley's rendezvous with destiny was to continue.

It was only a few weeks later that his next opportunity for a public forum presented itself. A document in the Hurley Papers indicates that on January 11, 1946, the former Ambassador gave a confidential interview to Life Magazine. Because it was a Henry Luce publication, and he knew that Luce, the China-born son of a missionary, agreed with many of his ideas, Hurley must have been certain that he

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<sup>146</sup>Hurley to Chiang Kai-shek, December 7, 1945, Hurley Papers.

would receive favorable coverage in an article by the magazine. This long statement, which was virtually an autobiography, reiterated in great detail all his charges and indicated that his obsession with the conspiratorial theme was growing ever stronger.

The former Ambassador claimed in this piece that his most important special missions had been complicated, if not wrecked, by others. His assignment to the Middle East had been frustrated by both professional military and career diplomats, especially the latter. In fact, his proposal for that region, which had the President's approval, had been "systematically defeated by action of our own State Department . . . and those in our own service who believed that the Atlantic Charter was "Globaloney," and who supported imperialism and monopoly against democracy and private enterprise with the collaboration of British imperialists.<sup>147</sup>

Discussing his mission to China, the former Ambassador stated that at the time of his arrival there the State Department was "supporting all the forces whose purpose it was to keep China divided against herself, and to bring about the

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<sup>147</sup>"Life Statement," 39, Hurley Papers. Hurley also specifically charged that "Under Secretary of State Dean Acheson prevaricated deliberately on this subject when he appeared before the Senate Foreign Relations Committee early in December of 1945" because of his support of British imperialism. Ibid., 41.

collapse of the National Government of the Republic of China."<sup>148</sup> He cited as evidence of this position Gauss' statement to him that the government would fall as well as Service's memorandum of October 10, 1944. Hurley, with the "full support of the President of the United States," had brought about a "180 degree change in the direction of American policy."<sup>149</sup> Although accomplishing this reversal of policy had meant that he "had the disagreeable duty of removing, or causing the removal" of Gauss, Stilwell, "and some 30 other high-ranking officials,"<sup>150</sup> it had prevented the collapse of China's government and kept the Chinese army in the field. Because of this, when Roosevelt first asked him to become ambassador, he had felt that someone else should take the job, but the President finally persuaded him to take the responsibility.<sup>151</sup>

Hurley next discussed some of his major duties as ambassador and the problems he had encountered in trying to carry them out. He asserted that his active efforts to improve Sino-Soviet relations had resulted in a reprimand that he should only make suggestions. He had written a ten-page message to the State Department pointing out in "no uncertain terms" the fallacy of this recommendation, but he had not sent it because he "was still so new and they [the

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<sup>148</sup>Ibid., 72.

<sup>150</sup>Ibid., 47.

<sup>149</sup>Ibid., 73.

<sup>151</sup>Ibid.

career diplomats] were so strong" that they "could very easily have destroyed" his usefulness.<sup>152</sup>

Shortly after his arrival in China the former Ambassador not only had become "convinced that the career service was almost unanimously against the Government of the Republic of China,"<sup>153</sup> he had discovered that Mao Tse-tung's statements about the Nationalist government coincided with those of Ambassador Gauss and John Service. It was significant that "Service had, theretofore, served with the Yen-an group."<sup>154</sup>

Hurley also noted that he had personal as well as professional problems with the diplomats. He asserted that when he became ambassador he had found the Embassy "disorganized, dirty, inefficient, and sulky," and he had moved very "cautiously" as his ambition was "to bring the career men along in support of what I believed to be the American policy in China, and in support of the mission given me . . ."<sup>155</sup> The Foreign Service Officers, though, were hostile to him. Citing as evidence of this the incident which occurred when he tried to move into the house which was assigned to the ambassador, he told his version. The officers had "deliberately affronted" him by saying that there was no place for him, but he did not argue with the

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<sup>152</sup>Ibid., 51.

<sup>154</sup>Ibid., 46.

<sup>153</sup>Ibid., 60.

<sup>155</sup>Ibid., 61.

men. When he consulted the finance officer the following day, he had learned that the house was "rented by the United States Government for the Ambassador, not the clerks and career service; that the Ambassador had a right to invite any officials of the Embassy he cared to live with him; but none of the officials of the Embassy had a right to tell the Ambassador whether he should live in the house or whom he should have live with him."<sup>156</sup> Upon learning this, he had "cautiously" explained to Acheson that he

wished the house to be turned over to me for my use; that while I liked all the men I had reached that age where when I was at home I would like to be my own master and not have to entertain a multitude of people who lived with me. In addition to that I thought it would probably be better if I chose those whom I desired to live with me.<sup>157</sup>

The former Ambassador continually stressed that during this entire episode he had been a model of perfect behavior and that the story spread by the "keyhole columnists" was false and had been intended to arouse him "to make a statement [so] that they could get in a personal controversy with me."<sup>158</sup> Hurley, however, "had avoided all personal controversies with them . . . ."<sup>159</sup>

This mention of the press apparently reminded him of Theodore White, and he went into a long tirade against

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<sup>156</sup>Ibid., 62.

<sup>158</sup>Ibid., 63.

<sup>157</sup>Ibid.

<sup>159</sup>Ibid.

the reporter, complaining that White had made a speech stating "that his mission in China would not be completed until he had had me removed as Ambassador; that the Chinese Communists were far superior to the National Government; and that they had the National Government so that it must collapse or rely on the United States Government . . . ."160 Moreover, "White and the people of my Embassy continued to supply the Communists with all information to keep alive in the Communists the hope that they would get Lend-Lease supplies, and that when they got Lend-Lease supplies that would be tantamount to the destruction of the Republic. It was in this posture of affairs that I left to come to Washington."161

While he was in the United States the February 28 telegram had arrived, and he was "told--though I have no proof--that Ted White, a man named 'Sacks,' and a man named 'Wool,' worked with the Embassy staff in concocting the report."162 This telegram had revealed to Hurley that his staff members were

unanimously against the American policy in China; that they had taken advantage of my absence to recommend that the Communist party be armed, which would be tantamount to the destruction of the Government; and that they gave that report to the Communists in my absence and expected me to make an agreement with the

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160 Ibid., 64.

161 Ibid., 65.

162 Ibid.

Communists when they knew all of this."<sup>163</sup>

When the State Department had received the message, he was

called on the carpet by a man named Ballantyne (sic) who seemed not to know what the American policy was in China, and attempted to put me on the defensive, to go all over and all out again to prove the policy that had already been in (sic) effect, by direction of the President, since the previous August; by the Secretary of State since his telegram to me approving my report of December 24, 1944. The policy was not only in effect, it was approved by both the White House and the State Department when, in my absence, the entire Embassy tried to reverse it and put me before a man who was antagonistic in the State Department to work again to get America's approval for the American policy in China.<sup>164</sup>

Hurley had won over the State Department only because of the support of the President, but the career men still continued to tell the "Communists that the policy in China was the Ambassador's policy and not the policy of the United States Government."<sup>165</sup> It was "in the battle to get a public approval by the State Department for the American policy in China which had already been approved by both Britain and Russia that I resigned, and I never received a public statement of the policy until the day after I resigned."<sup>166</sup>

The former Ambassador felt a great sense of victory, therefore, when the Secretary read his statement at the Connally hearings because it was "based almost completely" on

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<sup>163</sup> Ibid., 66.

<sup>165</sup> Ibid., 67.

<sup>164</sup> Ibid., 66-7.

<sup>166</sup> Ibid., 71-2.

his reports and recommendations and was "opposed to the position taken throughout the period by the career men of the State Department."<sup>167</sup> He then reiterated that he had faced opposition upon his arrival in China and during his stay there.

Hurley concluded his statement by asserting that "the public purpose of all parties in China, as stated in their slogans, is to establish in China a government of the people, by the people, and for the people."<sup>168</sup>

The former Ambassador must have been both frustrated and irritated when the expected article did not appear.<sup>169</sup> The reasons for Life not using Hurley's statement are unknown but perhaps an editorial decision was made that his comments, whatever their reader appeal, might open the magazine to charges of libel.

Never one to be easily discouraged, General Hurley continued to seek public vindication. Every opportunity to wage his war was seized upon with vigor, and every public platform became his battlefield. On January 26, 1946, he repeated his accusations in an address before the Maryland

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<sup>167</sup>Ibid., 72.

<sup>168</sup>Ibid., 75.

<sup>169</sup>There was no article about Hurley in Life during the next few years. In fact, the only article in that magazine from 1946 to 1970 on or by the former Ambassador was not until 1956, and this concerned his criticism of Truman's Memoirs which were appearing by installment in Life.



Bar Association.<sup>170</sup>

The former Ambassador's cause was also furthered in the next few months by the sensational revelations brought out in the revival of the Amerasia case.

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<sup>170</sup>Baltimore Sun, January 26, 1946, Clipping Book, 1946, Hurley Papers.

## CHAPTER IX

### THE AMERASIA CASE AND ITS CONGRESSIONAL INVESTIGATION

In mid-summer of 1945, the Amerasia case had broken. Although quickly over and the topic of amazingly little publicity at the time,<sup>1</sup> it soon became the "red shirt" waved by every rabid anti-Communist as well as significant evidence for those who sincerely believed that there was sabotage in the government. As time went on, the case stimulated numerous charges and innuendos, "ranging, on one extreme, from the suggestions of a mystery-shrouded conspiracy to the assertion that the investigation was 'fixed' or compromised to the prejudice of the best interests of the United States Government."<sup>2</sup> This case, in addition to Hurley's charges,

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<sup>1</sup>There were no articles in magazines or journals during the year 1945, and the New York Times had only nine brief articles. Why so little attention was given the case is impossible to ascertain. There may have been some effort to keep the publicity at a minimum, but it is more likely that public interest remained primarily concerned with the conclusion of World War II.

<sup>2</sup>U. S. Senate, Committee on Foreign Relations, State Department Employee Loyalty Investigation, Report of the Committee on Foreign Relations, Pursuant to Senate Resolution 231, United States Senate, 81st Cong., 2nd sess., Senate Report 2108. (Washington, D.C., 1950), I, 96; hereafter cited as State Department Report. The Amerasia case was thoroughly reviewed during the State Department Employee Loyalty Hearings.

offered the gravest evidence against Service in the recurring investigations which began to hound him.

The Amerasia story first became known to the public on June 6, 1945, when the Department of Justice announced the arrests of Mark Gayn, a writer, Emmanuel S. Larsen, an employee of the State Department, Lt. Andrew Roth, liaison officer between the Office of Naval Intelligence and the Department of State, Kate Mitchell and Philip Jaffee, co-editors of Amerasia magazine, and John Service on charges of conspiracy to violate the espionage statutes.<sup>3</sup> The case had had its beginning, in the latter part of February, 1945, however, when Archbold Van Beuren, security officer of the Office of Strategic Services, received an interesting piece of information. An employee in the Research and Analysis Division of the Office of Strategic Services told him that an article on Southeast Asia, containing information that was based upon or in part copied from a classified Office of Strategic Services document, had appeared in the January 26, 1945, edition of Amerasia, a Far Eastern specialist magazine. Van Beuren upon hearing this, consulted with his superior officers.

As a result, an investigation was started under the direction of Frank Bielaski, an investigator attached to Office of Strategic Services, to ascertain how such

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<sup>3</sup>New York Times, June 7, 1945, 1:1.

information might have been available to the magazine.<sup>4</sup> This probe revealed that the specific document had been widely distributed among various governmental agencies, and that the information might have been obtained in any number of ways.

Bielaski also instituted an inquiry to determine background information about Amerasia and the individuals associated with it.<sup>5</sup> After keeping the publication's headquarters in New York under surveillance for a period of several days, it was decided to search illegally the offices, and on the night of March 10, Bielaski and four others under his authority gained access to the offices. They discovered a large number of classified government documents, most of which were government prepared copies of manuscripts either originating in the State Department or which had been distributed to the State Department by other governmental agencies, such as the Office of Strategic Services and the Office of War Information.<sup>6</sup>

Beliaski removed certain of the documents, which he turned over to Van Beuren, when he reported to him the

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<sup>4</sup>Van Beuren Affidavit, "Service Hearings," State Department, II, 2305. During Service's hearing before the State Department Loyalty Security Board, the Amerasia case was reexamined. See also State Department Report, I, 97.

<sup>5</sup>State Department Report, I, 97.

<sup>6</sup>Ibid., 97-8.

following day. After conferring on that same day with Major J. J. Monigan, one of his legal assistants, Van Beuren presented the results of Beilaski's investigation, together with the documents which had been removed from the Amerasia offices, to Major-General William Donovan, the director of the Office of Strategic Services. Later that evening, in the company of Donovan and Monigan, Van Beuren relayed the information to Secretary of State Stettinius and Assistant Secretary of State Julius Holmes.<sup>7</sup> Stettinius assured the Office of Strategic Services officials that appropriate action would be promptly taken. The next morning, since Naval documents were also involved, Holmes conferred with a representative of the Secretary of Navy. The case was then turned over to the Federal Bureau of Investigation on March 14, 1945, by the Departments of State and Navy.

The F.B.I. instituted an immediate investigation and, deeming the case to be quite serious, assigned as many as seventy-five men to it.<sup>8</sup> The Bureau soon discovered that Jaffe and Mitchell were in very frequent contact with Larsen, Roth and Gayn. On April 18, 1945, a conference attended by Holmes and Mathias Correa, representing the State and Naval Departments, and representatives of the F.B.I. was held. The F.B.I. advised that it was ready to present the case for such action as the Department of Justice might consider proper.

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<sup>7</sup>Ibid., 99.

<sup>8</sup>Ibid., 100.

Holmes and Correa requested, however, that the investigation be continued for the purpose of determining the identities of other employees of their departments who might also be submitting material to Jaffe, and this was agreed upon.<sup>9</sup> Ironically, the very next day, Service, through physical surveillance, was seen in Washington, D.C. meeting Jaffe for the first time.

On May 29, 1945, the F.B.I. finally presented the case to the Criminal Division of the Department of Justice for an opinion concerning its prosecution. Mr. James M. McInerney, special Assistant to the Attorney General, conferred with the F.B.I. officials and reviewed the evidence. Following this, the F.B.I. was given instructions from the Department of Justice to arrest the six principals of the case. At the time of the arrests, several hundred documents were discovered in the Amerasia offices and Larsen's apartment. Jaffe also had some in his personal possession, and Gayn had forty-three. The arrests of Service and Roth revealed no manuscripts. Most of the documents found were ozalid copies, a special type of reproduction, and some of them were copies of memoranda written by Service.<sup>10</sup>

Kate Mitchell, Mark Gayn, John Service, and Phillip Jaffe all agreed to waive immunity and testify before the grand jury which had been impanelled to hear the case.

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<sup>9</sup>Ibid., 100-1.

<sup>10</sup>Ibid., 107.

Later Jaffe's attorney advised him against this, but the others testified. The grand jury heard testimony for about a week, beginning July 30 and lasting until August 8.<sup>11</sup>

Service appeared briefly before the grand jury on August 3 and 6. At these times, he explained and later substantiated by evidence, his relationship with the people involved in the case. On April 17 or 18 of 1945, Gayn came to see Service at the Department of State. They had not met before, but both shared a China background, and Service's brother had gone to school with Gayn. The young officer was also somewhat familiar with Gayn's work on the Far East and had read several of his articles. At this meeting the writer did not tell Service of his close association with Jaffe.<sup>12</sup>

At about the same time, the Foreign Service Officer received an invitation from Roth, whom he had met the previous November on the occasion of his talk to the Institute of Pacific Relations. Service was invited to Roth's for dinner on the 19th. Roth told the officer that Phillip Jaffe, who was going to be among those present at the dinner, wanted to talk to him, and he asked Service to call the editor. Service knew of Jaffe as editor of Amerasia, but had never met him previously nor had he had any contact with him by

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<sup>11</sup>"Service Hearings," State Department, II, 2294.

<sup>12</sup>Service Statement, "Service Hearings," State Department, II, 2234.

correspondence or otherwise. Since Jaffe was editor of a well-known magazine on the Far East and it was common practice for Foreign Service Officers to talk with reputable newspapermen or writers on a background basis, he saw no reason why he should not meet him. Consequently, he called Jaffe, and they arranged to meet the day of the dinner.<sup>13</sup>

At this time, Service had on his desk a number of his personal copies of memoranda which he had written during his last visit to Yen-an. Before going to see Jaffe, "his eyes lighted" on a report of an April 1 interview with Mao Tse-tung, and he thought that the editor might be interested in it. He took it with him, therefore, as it "contained nothing except the Communists' own interpretation of their position."<sup>14</sup>

During their conversation, Jaffe asked about the present Communist attitude, and Service permitted him to read the memorandum. The editor was very interested and asked him if he had similar reports which he could show him. "Since many of these memos were purely reportorial, containing only statements or observations available to and continually being obtained by newspapermen on the spot," Service agreed to let Jaffe see some reports of this type.<sup>15</sup>

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<sup>13</sup>Ibid.

<sup>14</sup>Ibid., 2235.

<sup>15</sup>Ibid.



The following day, he reviewed his personal copies of the memoranda he had written in Yenan, and "carefully selected . . . about eight or ten, which were purely descriptive and did not contain discussions of American military or political policy."<sup>16</sup> Considering them appropriate for Jaffe to see, he took them with him when he went to lunch with the editor. While talking, Jaffe said that he was leaving for Washington that afternoon and asked if he could take the reports with him. Service "hesitated, but after considerable discussion and in view of the nonpolicy and purely factual nature of the papers, allowed Jaffe to keep them."<sup>17</sup> Service acknowledged that this was not customary and that he had always regretted it later, but "at that time I had no reason to doubt his responsibility."<sup>18</sup>

While in New York, the Foreign Service Officer went to a dinner party given by Gayn on April 24, at which Jaffe and Miss Mitchell among others were present. The following day Service picked up his reports from Jaffe. He discovered to his surprise that the editor had shown the memoranda to Gayn but still suspected nothing.<sup>19</sup>

When Jaffe again visited Washington on May 3, he got in touch with the officer to request his help in obtaining a copy of a report which contained a broadcast summary from

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<sup>16</sup>Ibid.

<sup>18</sup>Ibid.

<sup>17</sup>Ibid.

<sup>19</sup>Ibid.

Yenan of a speech given by Mao Tse-tung. Service told the editor that he did not handle such material, but suggested that if Jaffe came to the Department of State he would introduce him to the responsible officer who would give him a copy if it were permissible. The editor agreed, and Service took him to A. Sabin Chase, executive officer in the Division of Chinese Affairs, who gave Jaffe a copy of the desired summary, stating that it was customary to give interested people such material. When a better copy of this summary came in, Chase gave the officer one to give to Jaffe, and Service did so.<sup>20</sup>

About May 8, Jaffe returned to Washington and again called Service. The editor told him that T. A. Bisson, a scholar specializing on East Asia, wanted the officer to come to dinner sometime. By now, Service "was already annoyed at Jaffe's rather aggressive manner and put him off,"<sup>21</sup> but when the editor called again with a definite invitation for May 19, he agreed to go. He spent the night before at Gayn's home, meeting him, as Gayn requested, at Kate Mitchell's where there was a party. Service arrived there late, and he left

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<sup>20</sup>Ibid., 2235-6. Chase testified in 1950 that he did recall this incident. Since it had been such a long time ago, he had a poor memory, and such incidents were common occurrences, the mere fact that he did not "recollect it would not prove that is not the case." Chast Testimony, "Service Hearings," State Department, II, 2375. Chase further testified that because of his respect for Service's integrity, "if he [Service] remembers it clearly I would think it must have occurred." Ibid., 2377.

<sup>21</sup>Ibid., 2236.

shortly with Gayn. While at the Bisson's the next day, he spoke briefly with Miss Mitchell about a book which she was writing, and that was the only time that Service could ever remember talking to her.<sup>22</sup>

The Foreign Service Officer was invited on May 29 to a farewell party for Roth, who was being transferred. Jaffe was also to be present, although Service had not known this when he accepted the invitation, and the editor later called him and asked if they could go together. Service agreed, and on that occasion, Jaffe requested some information concerning a trend in the Kuomintang. When the officer suggested newspaper files and Jaffe replied that he wanted official dispatches, Service told the editor that he could not and would not give him any. The evening of that party was the last time the Foreign Service Officer saw Jaffe, and he had no communication with him thereafter.<sup>23</sup> The first weekend in June, Service was invited to Owen Lattimore's home and Roth was there. This was his last meeting with the naval officer before his arrest.<sup>24</sup>

Following this statement about his relationship with the principals of the case, Service justified his accessibility to these people by pointing out that he had usually

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<sup>22</sup>Ibid.

<sup>23</sup>Ibid.

<sup>24</sup>Ibid., 2336-7.

accepted all invitations out since his family had still been in California.<sup>25</sup> Furthermore, he had had no reason to suspect any of these people at that time.

The officer then turned to a discussion of the immediate events surrounding his arrest. When informed of the charges, he had told the arresting agents that he was not guilty and wished to do everything he could to clear up the matter. Interrogated intensively, he also gave a detailed voluntary statement. The following day, his sister-in-law obtained the services of a bondsman, and he was released from detention.<sup>26</sup>

Concluding this phase of his testimony, Service again defended his actions and denied giving Jaffe any ozalid copies of his reports.<sup>27</sup> Further evidence of the officer's innocence was Larsen's admission that he had obtained the eight ozalid copies of Service's reports which were in Jaffe's suitcase at the time of his arrest.<sup>28</sup> In addition to these eight reports, Larsen had revealed in his statement to the F.B.I. on June 7 that of the classified documents "that I have shown to Mr. Jaffe I remember some written by Mr. John Service on the subject of Communist relations with the Chinese

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<sup>25</sup>Ibid., 2237.

<sup>26</sup>Ibid.

<sup>27</sup>"Service Hearings," State Department, II, 2238.

<sup>28</sup>Ibid., 2289.

Central Government."<sup>29</sup>

After the grand jury heard all the testimony, it returned an unanimous no true bill on Service on August 10. The following day, he appeared before the Personnel Board of the Foreign Service. Immediately afterward, he was informed that he would be reinstated to active duty in the field of Far Eastern affairs on August 12.<sup>30</sup>

Both Secretary of State Byrnes and Under Secretary Grew sent very complimentary letters to the officer on August 14 expressing their pleasure at his complete vindication. Byrnes concluded his message by predicting for Service "a continuance of the splendid record I am advised you have maintained since first you entered the Foreign Service."<sup>31</sup> Grew, who had known the officer "for some time" and been familiar with "the high caliber" of his work, "could not believe" when he learned of his arrest that Service "could be implicated in such an affair."<sup>32</sup> The Under Secretary was especially glad that the officer was returning to duty in

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<sup>29</sup>Ibid., 2183.

<sup>30</sup>He had been on leave of absence with pay since the time of his arrest. See Service Statement, "Service Hearings," State Department, II, 2237.

<sup>31</sup>Ibid., 2347.

<sup>32</sup>Ibid., 2347-8.

the field where he had "established an enviable record for integrity and duty."<sup>33</sup>

Despite the relatively quiet and rapid conclusion of this case, its repercussions continued. The initial reaction had been largely sympathetic to the accused. Charges were even made that the arrests had victimized a certain group of young government officials whose views were favorable to the Chinese Communists. It was the political nature of the information rather than the military secrecy which was behind the prosecution. The action by the government had been taken, therefore, because of the State Department's anger over the magazine's indictment of American policy. Charges of personal animus were also asserted by some. These various accusations were all vigorously denied by the authorities.<sup>34</sup>

In a short time, however, the allegations became prejudicial to those who had been accused, and questions of a different type were raised regarding the handling of the case. Hurley's abrupt resignation encouraged further concern by Congress. Representative George Dondero, Republican from Michigan, introduced on November 28, 1945, a resolution to "authorize the Committee on the Judiciary to conduct an

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<sup>33</sup>Ibid.

<sup>34</sup>New York Times, June 16, 1945, 3:8; Koen, 70.

investigation of the disposition of the case . . . ."35

The resolution was reported back to the House on March 18, 1946<sup>36</sup> and debated on April 18.<sup>37</sup> Dondero, the major speaker for the resolution, referred in one of his speeches to Hurley's charges before the Senate Foreign Relations Committee and asserted that one of the documents the former Ambassador had requested to prove his accusations had been among those stolen in the Amerasia case. The Representative ironically noted that these documents had not been made available to Congress or the public and yet Jaffe and his associates possessed them.

Several Republicans, as well as two Southern Democrats, John E. Rankin of Mississippi and Edward E. Cox of Georgia, also supported the measure. Rankin declared that it was about time that the United States began "prosecuting the criminals at home who are undermining our Government."<sup>38</sup>

Dondero's proposal was not without opposition, though. Vito Marcantonio, a member of the American Labor

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<sup>35</sup>Congressional Record, 79th Cong., 1st sess., XCI, Part 8. See 11156 for full citation of resolution and 11150-1 for Dondero's comments.

<sup>36</sup>Congressional Record, 79th Cong., 2nd sess., XCII, Part 2, 2350-1.

<sup>37</sup>Ibid., Part 3, 4006-12.

<sup>38</sup>Ibid., 4008.

Party from New York, felt that the resolution was "an attempt to revive a dead herring, revive another spy scare."<sup>39</sup>

Adolph J. Sabath, Illinois Democrat, was opposed because the measure provided "for the investigation of the Department of Justice and the State Department."<sup>40</sup> These charges were denied by the supporters of the resolution, and it was passed by a sizeable margin.<sup>41</sup>

The hearings, which began on May 10 under the Chairmanship of Sam Hobbs, Democrat of Alabama, questioned most of the people who had been involved in investigating and preparing the case, such as representatives of the State Department, Office of Naval Intelligence, Federal Bureau of Investigation, and Department of Justice. The investigation confirmed that most of the documents found in the possession of the accused were largely innocuous and had already been published. As to the source of these documents, Robert Hitchcock, who had been prosecuting attorney for the case, testified that those which could be traced were traced to Larsen.<sup>42</sup>

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<sup>39</sup>Ibid., 4010.

<sup>40</sup>Ibid.

<sup>41</sup>Ibid.

<sup>42</sup>"Hearings of Subcommittee of the Committee on the Judiciary; Pursuant to House Resolution 430, House of Representatives, 79th Cong., 2nd sess.," Congressional Record, 81st Cong., 2nd sess., XCVI, Part 6, 7452-3. The 1946 hearings were closed and never published, but in 1950 when questions about the case were again raised, the entire hearings were included in the Congressional Record, 7438-



James M. McInerney, who had been Special Assistant to the Attorney General at the time the original case had been prepared, also appeared before the committee. He avowed that the evidence incriminating Service had been meager. Although some copies of confidential reports by the officer were found in Jaffe's office when a search was made, Emmanuel Larsen "admitted he had given Service's copies to Jaffe, and Service had not given them."<sup>43</sup>

Larsen was also asked to testify. His comments before the committee were quite critical of Service. Although he did not accuse the Foreign Service Officer of giving Jaffe information, he did state that Service was part of the element in the State Department which was forcing a pro-Communist policy.<sup>44</sup>

When the hearings ended on June 3, the three-member Democratic majority of the committee prepared its report. This document, which was not issued until October 23, 1946, stressed in detail that the results of the Amerasia case had

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68. The recent publication of the Amerasia Papers by the Committee on the Judiciary has not, unfortunately, added new insight into the Amerasia puzzle. The two volumes include an extremely biased and propagandistically motivated 113 page introduction and a "selection" of 315 documents that were supposedly discovered in the offices of the journal. See Service, Foreward, 10 and Chapter I, 20-7; U. S. Senate, Committee on the Judiciary, The Amerasia Papers: A Clue to the Catastrophe of China, Committee on the Judiciary, United States Senate, 91st Cong., 1st sess., 2 vols. (Washington, D.C., 1970).

<sup>43</sup>Ibid., 7454.

<sup>44</sup>Ibid., 7443.

been all that could have been expected from the scanty evidence and the many extenuating circumstances which had been involved. In fact, the case had been "ably presented before the grand jury . . . ." <sup>45</sup> Although the committee members noted that there was "an astonishing lack of 'security' in some departments or agencies of our Government," they concluded, after "a most painstaking study" that "there is no evidence, nor hint, justifying adverse criticism of either grand jury, any prosecuting attorney, F.B.I., judicial or other officials." <sup>46</sup>

Two of the Republican members of the committee issued separate statements disagreeing with the majority report, but their dissent was quite minor and did not concern Service. The criticism of one of the Congressmen primarily concerned the report's estimation of the strength of the government's case against Jaffe. He agreed with the majority members, nevertheless, that no recommendation should be made to the Department of Justice about the case. <sup>47</sup> The

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<sup>45</sup>"Report of Subcommittee IV of the Committee on the Judiciary, House of Representatives, 79th Cong., 2nd sess., Pursuant to House Resolution 430, to Investigate the Circumstances with Respect to the Disposition of the Charges of Espionage . . .," Congressional Record, 81st Cong., 2nd sess., XCVI, Part 6, 7429. The report was also entered in the Congressional Record at this time on pages 7428-31.

<sup>46</sup>Ibid., 7430.

<sup>47</sup>"Minority Views of Frank Fellows, Member of the Committee," Congressional Record, 81st Cong., 2nd sess., XCVI, Part 6, 7431-2. The minority views were also included on pages 7431-2.

other minority report stressed that the security division of the Department of State was wholly inadequate and especially noted the case of Roth.<sup>48</sup>

Despite these minor points of disagreement among the committee members, the entire investigation brought out that the Amerasia case, for all its overtones of intrigue, had been based largely on illegal evidence and had apparently been innocent of sabotage. Service was completely exonerated.

The case lingered, nevertheless. In September, 1946, Service was transferred from MacArthur's staff to the American legation in Wellington, New Zealand.<sup>49</sup> Although health reasons were given for the reassignment and the officer had been in extremely ill health during the last four months of his duty in Tokyo,<sup>50</sup> it seems likely that the transfer was partly made because of the continuing controversy over the Amerasia affair. The Hurley charges undoubtedly affected this decision, also, even though the Legal Adviser of the State Department had reported to the Secretary Byrnes on March 1 that he had found no evidence to support the

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<sup>48</sup>"Additional Minority Views by Raymond S. Springer," Ibid., 7432.

<sup>49</sup>New York Times, September 24, 1945, 12:3.

<sup>50</sup>"Service Hearings," State Department, II, 2392, 2394.

accusations of the former Ambassador.<sup>51</sup> General MacArthur had also informed the Secretary of State that Service had cooperated with him and he hoped that the officer would not be removed from his post in Japan.<sup>52</sup> Lack of proof to support the allegations against him and his excellent record as an officer did not prevent Service's transfer, though, for his loyalty had been placed in doubt.

In October, 1946, the Amerasia case was again given publicity, resulting in new charges and inferences. The October issue of Plain Talk magazine contained an article by Emmanuel Larsen entitled, "The State Department Espionage Case." In this piece, the author maintained that the case had been whitewashed. Stating that Service was a member of the pro-Soviet group in the China Division of the State Department, Larsen criticized both Davies and Service for trying to make Washington pro-Communist. He also posed the question of who was responsible for the resignation of Hurley and implied that it was a result of the efforts of this pro-Soviet group.<sup>53</sup>

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<sup>51</sup>Feis, 412. For a discussion of the Legal Adviser's report see Chapter VIII, 294-6.

<sup>52</sup>Letter from James F. Byrnes to Author, March 22, 1967. MacArthur made the same comments about George Atcheson.

<sup>53</sup>Exhibit 20, "Service Hearings," State Department, II, 2492. The entire article was Exhibit 20 and included on pages 2492-501.

This episode was hoped to be the last gasp of a dying case. For several years it seemed to have died, but this proved to be a false hope.

Service's troubles with Hurley were not over either. The former Ambassador had not ended his battle for vindication, and he continued to seek a way by which he could convince the nation to support the "right" policy in China, and more important, to accept the correctness of the accusations which he had made against the Department of State personnel. In 1946, Hurley ran for a Senate seat from New Mexico. His attempt was unsuccessful, but it gave him the opportunity to restate his case. Although the way was hard, the political climate of the nation would gradually change and become more sympathetic to his conspiratorial orientation.

## CHAPTER X

### THE RISING STORM

Hurley's allegations and the implications for policy derived from them appealed to various groups. Professional anti-Communists found a champion in him. Roosevelt-haters were delighted with his charges against Yalta. Administration critics found inspiration in his allegations against the State Department. The China Lobby adopted him as a hero because of his support of the Nationalist government and of Chiang Kai-shek. Most of the former Ambassador's post-war correspondence was with people of prominence whom he thought were sympathetic to his views, such as Fulton Lewis, Jr., Henry Regnery, Henry R. Luce, Walter Judd, and Herbert Hoover. Permitting himself to be used, he ultimately became only a tool of people who were gambling for higher stakes than mere vindication of a hot-headed ex-ambassador.

During these years, America's China policy, and, therefore, Hurley, indirectly, moved to the center of the American political arena. The two driving forces of this movement were the China Lobby and partisan politics, and they would ultimately intertwine.

The so-called China Lobby was "no more than a series of individuals and groups which had a common interest and

were more or less closely knit to form, in its collective capacity, a pressure group"<sup>1</sup>--one which exerted a "relentless pressure on U.S. foreign and domestic policies . . . ."<sup>2</sup> It had an inner core of Chinese and paid lobbyists who supplied the direction to the somewhat amorphous groups of affiliates who shared the interests of the inner circle in gaining more support for Chiang Kai-shek.

The nucleus began to form at the beginning of World War II, and the outer circle gradually formed, primarily after the war, from a kaleidoscopic array of Chiang supporters. These individuals "ranged from missionaries, expelled from China by the Communists; to businessmen who had large financial stakes in China's future; military leaders disappointed by the inability of the United States to control events in China after World War II;" members of Congress who found in the China problem a weapon in their battle against the administration; "those for whom the dominant consideration was their fear of communism;"<sup>3</sup> and "opportunists concerned with either their own enrichment or the aggrandizement of the extreme Right . . . ."<sup>4</sup>

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<sup>1</sup>Koen, 31.

<sup>2</sup>Charles Wertenbaker, "The China Lobby," Reporter, VI (April 15, 1952), 4.

<sup>3</sup>Koen, 32, 245-6.

<sup>4</sup>Wertenbaker, 12.

Although in 1945, there seemed to be agreement among almost all American policy-makers concerning China, this was a superficial harmony, and the outer circle of the lobby was already beginning to shape itself into a loose coagulation.<sup>5</sup> Two events during that year--the Amerasia case and the resignation of Hurley--would later prove to be a windfall to the supporters of Nationalist China, but initial efforts to profit by these episodes were not especially successful.

During 1945 and 1946 "there was almost no criticism of American policy and virtually no support for increased aid to the Kuomintang Government."<sup>6</sup> One of the few voices heard during this period was Alfred Kohlberg, a wealthy manufacturer and importer of Chinese textiles, as he began to express active dissatisfaction with America's China policy and to hunt for the culprits.<sup>7</sup> He would be among the first to accept Hurley's view that the United States Embassy in Chungking was the center of a plot to discredit Chiang's government.<sup>8</sup>

In Congress only four members expressed any real concern for China in those two years. Two of them were Representatives Clare Booth Luce, from Connecticut, and Walter Judd, from Minnesota, both Republicans and both among

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<sup>5</sup>Ibid.

<sup>6</sup>Koen, 99.

<sup>7</sup>Ibid., 55-6; Wertebaker, 13.

<sup>8</sup>Wertebaker, 13.



the initial members of the Board of Directors of the American China Policy Association, one of the most important vehicles of the China Lobby.<sup>9</sup> Judd, a former medical missionary to China, had always been an advocate of aid to that country, but until 1945 he had voiced little criticism of the administration's policy or the Chinese Communists.<sup>10</sup> Thereafter, he regularly made known his observations on China and its need for more assistance and more "sympathetic" understanding.<sup>11</sup> Luce made similar efforts on behalf of Chiang Kai-shek. She frequently inserted the views of the American China Policy Association in the Congressional Record.<sup>12</sup> For example, on July 26, 1946, she included a brief statement signed by thirty-eight people which asserted that the United States should give no further aid or support to the Communists.<sup>13</sup>

The other two Congressmen, Senators Wherry and Bridges "were less concerned with China, per se, than they were with differences of viewpoint on policy in the Department of State and the possibility that those differences might stem from pro-Russian influences."<sup>14</sup> Their activity

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<sup>9</sup>Koen, 57, 99. The association was formed in July, 1946.

<sup>10</sup>Wertebaker, 3.

<sup>11</sup>Koen, 100.

<sup>12</sup>Ibid.

<sup>13</sup>Congressional Record, 79th Cong., 2nd sess., XCI, Part 12, A4495-7.

<sup>14</sup>Koen, 99.

during these two years was primarily confined to the period surrounding Hurley's resignation and its investigation.

Partisanship no doubt played its role in this opposition. The Republicans had not been actively brought into the formulation of America's China policy by the administration, even after Hurley's charges in 1945.<sup>15</sup> This was a mistake, since it would provide an issue to use against the administration and especially since the Republican party had traditionally been more interested in Asia than Europe.<sup>16</sup>

Partisanship was at a minimum during this time, though, partially because of respect for Marshall, who was on his mission to China then<sup>17</sup> and partially because the Republicans had no alternative policy. There was also considerable, though unfounded, optimism about the situation in China.<sup>18</sup>

Three developments would annihilate this period of relative quiescence concerning America's China policy. One was the resounding mid-term Republican victory at the polls in 1946 which further weakened the position of the administration and strengthened the struggle between the executive and legislative branches over control of foreign policy.<sup>19</sup>

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<sup>15</sup>H. Bradford Westerfield, Foreign Policy and Party Politics: Pearl Harbor to Korea (New Haven, 1955), 241. See also Richard D. Burns, "James F. Byrnes" in Graebner, 241.

<sup>16</sup>Westerfield, 241.

<sup>17</sup>Tsou, 447.

<sup>18</sup>Westerfield, 249.

<sup>19</sup>Tsou, 448.

The failure of the Marshall mission early in 1947 was another, and the third was the increasing victories of the Chinese Communists. This latter circumstance convinced the inner core of the China Lobby that their efforts to regain the sympathy and support of the United States would have to be intensified. Two goals were essential: (1) convince America that a strong and friendly China under Chiang Kai-shek was essential to its own security; and (2) persuade the people of the United States that "their representatives had failed to support Chiang to the desirable and necessary extent."<sup>20</sup>

A number of organizations as well as periodicals and books were used to help create a more favorable climate of opinion toward the Nationalist government. The American China Policy Association published a tremendous volume of literature. The China Monthly and Kohlberg's magazine, Plain Talk, both key sources of China Lobby propaganda, became especially active.<sup>21</sup> The attention given to China by the Luce publications, such as William C. Bullitt's famous "Report on China" in Life on October 13, 1947, also helped keep the China issue in the public's mind.<sup>22</sup>

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<sup>20</sup>Koen, 63.

<sup>21</sup>For a discussion of The China Monthly, see Koen, 54-5.

<sup>22</sup>Ibid., 65-7. Other journals which carried numerous articles in the same vein were Reader's Digest, American Mercury, and U.S. News and World Report. Ibid., 56.

Hurley added more fuel to the fire by continuing to make known his opinions. On January 29, 1947, when the State Department announced its decision to cease attempting to mediate between the Nationalists and Communists and to withdraw from China, the former Ambassador released a public statement in which he characterized the decision as "thoroughly in keeping with the give-away-and-surrender policy of America."<sup>23</sup>

One of the primary targets of the China Lobby during this time was Congress, and apparently the lobby had some success for it was the key Republican spokesman for bipartisanship in foreign policy, Senator Vandenberg, who opened the door for increasing criticism. Early in January, he made a speech urging the administration to stop supporting Communist participation in the Chinese government.<sup>24</sup> Twice in the early months of 1947, he also expressed the opinion that bipartisanship had not been applied to China.<sup>25</sup>

As the months passed, there were increasing indications that the Republicans advocated a different policy toward China than that of the administration--more positive

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<sup>23</sup>New York Times, January 30, 1947, 3:1.

<sup>24</sup>Koen, 100.

<sup>25</sup>Congressional Record, 80th Cong., 1st sess., XCIII, Part 2, 2167; Ibid., Part 3, 3474.

support for the Nationalists and total opposition to the Communists. As conditions worsened in China during the spring of that year, requests for American aid increased. Finally, the arms embargo was lifted, and goods were practically given to the Nationalist government. The September 15 transfer of John C. Vincent from his position as Director of the Office of Far Eastern Affairs to Minister to Switzerland and the Wedemeyer mission to China which began on July 9, 1947, were two other concessions by the administration to the opposition party.<sup>26</sup>

Pressure from Representative Judd, Senator Bridges, and others in Congress resulted in newly appointed Secretary of State Marshall agreeing to send General Wedemeyer to make another survey with recommendations on China.<sup>27</sup> The famous Wedemeyer report which resulted from the mission urged that the Nationalist government make sweeping reforms but also advocated American military assistance to the government because of the importance of China to the United States.<sup>28</sup>

The Truman administration took no action on this report other than to suppress it with a top-secret

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<sup>26</sup>Westerfield, 259-60; Tsou, 453.

<sup>27</sup>Wedemeyer, 382.

<sup>28</sup>Report to Truman by Wedemeyer, September 19, 1947, Relations with China, 764-814. See page 814 for recommendations.

classification. Any hope by the China Lobby of using the report was thus thwarted, but the suppression of the report was unfortunate because a public debate could have clarified many of the issues<sup>29</sup> as well as brought Republican participation into the policy formulation.<sup>30</sup> Withholding the report also served only "to arouse widespread suspicion that its contents supported a stepped-up program of aid."<sup>31</sup>

In the face of mounting Republican demands, the administration decided on a policy of limited assistance to China,<sup>32</sup> but this did not quiet the opposition. Judd advocated enough aid to enable the Nationalists to eliminate the Communists. He was joined in his effort by Representative John M. Vorys, Republican from Ohio. While these actions were being taken in the House, Bridges took up the battle in the Senate.<sup>33</sup> Even Senator Vandenberg lent his support to obtaining economic aid, though small, for Chiang Kai-shek's government. Douglas MacArthur who had always had special prestige among Republicans because of his known conservatism and his disagreement with Democratic administrations also brought his stature to the cause.<sup>34</sup>

As 1947 drew to a close, "there were indications that the conversion of the Republican party to the China

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<sup>29</sup>Tsou, 460-1.

<sup>31</sup>Koen, 101.

<sup>33</sup>Koen, 103.

<sup>30</sup>Westerfield, 258.

<sup>32</sup>Tsou, 462.

<sup>34</sup>Tsou, 467-70.

Lobby viewpoint had reached the point where large-scale military aid could be contemplated.<sup>35</sup> In November, New York Governor Thomas E. Dewey, a leading contender for the Republican presidential nomination, took up the battle for aid to China.

In response to this growing pressure as well as the worsening situation in China, the administration proposed at the end of the year, a \$570 million economic (non-military) assistance bill, to be provided over a fifteen month period. By the time Truman submitted the proposal to Congress in mid-February, 1948, there was evidence that the inner core of the China Lobby was exerting direct influence on Congress. It hired a professional lobbyist to win the support of key Congressmen.<sup>36</sup>

The debate over this measure was a lengthy one. In the House, a provision was inserted which would have authorized the placing of United States military personnel with Chinese troops in the combat areas to give strategic advice. Although this provision was defeated by the Senate with the assistance of Vandenberg,<sup>37</sup> some concessions, such as the inclusion of military as well as economic aid, were made in deference to those supporting the pro-Chiang view. Nevertheless, the form in which the China Aid Act of 1948 was

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<sup>35</sup>Koen, 105.

<sup>36</sup>Wertenbaker, 18.

<sup>37</sup>Tsou, 474-5.

passed in April, \$400 million spread over twelve months, gave evidence that the China Lobby still had only limited support, at least when it came to financial assistance.<sup>38</sup>

By the middle of 1948, though, "the needs and desires of the Republican party and the China Lobby began to coincide."<sup>39</sup> The Republicans had controlled Congress for two years for the first time since 1930. Although confident of winning the presidency in November, they were less certain of retaining a majority in Congress.<sup>40</sup> A new approach seemed necessary.

The Chinese leadership of the lobby was also looking forward to a Republican victory, confident that extraordinary measures would then be taken to give military aid to Chiang. The problem of the lobby was to keep its needs before the American people, thus assuring itself that a Republican victory would also be its victory.<sup>41</sup> The campaign provided it with new sources of ammunition in this effort. Hurley, who was again running as Republican candidate for the Senate seat in New Mexico, also assisted by reiterating most of his old charges. The Republican controlled House of Representatives would give the China Lobby another unique opportunity.

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<sup>38</sup>Koen, 106.

<sup>40</sup>Ibid., 90.

<sup>39</sup>Ibid., 89.

<sup>41</sup>Ibid.



In July, 1948, the House Committee on Un-American Activities began a series of hearings on Communist espionage in the United States Government. This concern was not new. As early as 1946, Congress had begun to turn its attention to the federal loyalty program. The focus was upon the Department of State which "critics accused of laxity in weeding out communists and fellow travelers."<sup>42</sup> This pressure led to a grant of summary dismissal powers to the Secretary of State and to two studies of the federal loyalty program, one by the House Civil Service Committee and one by a Presidential commission.

The commission concluded, in its report to President Truman of February, 1947, that the employment of disloyal persons presented "'more than a speculative threat . . . .'"<sup>43</sup> It also stated that there was "'no doubt that prevailing techniques and procedures had been ineffective.'"<sup>44</sup> Acting on the commission's specific recommendations, Truman issued in March an Executive Order, establishing a new loyalty program, encompassing all civilian employees of the executive branch. By this order, number 9835, he created a

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<sup>42</sup>Congressional Quarterly Service, Congress and the Nation, 1945-1964--A Review of Government and Politics in the Postwar Years (Washington, D.C., 1965), 1663. Hereafter cited as Congress and the Nation.

<sup>43</sup>Ibid.

<sup>44</sup>Ibid.

Loyalty Review Board, composed of prominent citizens, in the Civil Service Commission to coordinate the loyalty policies of the various government agencies and to serve as a final board of appeal. The order required loyalty investigations of all government employees and all persons applying for government positions. It stipulated that the standard for removal from or refusal of employment was that "'reasonable grounds exist for belief that the person involved is disloyal to the Government of the United States.'"<sup>45</sup>

Republican leadership in Congress unsuccessfully attempted to counter the President's program with one of their own. Many of the Democrats viewed the Republican bill as a tactic of partisan politics "'to lay the foundation for a Red-baiting smear campaign next year.'"<sup>46</sup> Although the House passed the measure, the Senate never took action upon it, and Truman's program went into effect in the fall.

The new loyalty program did not end the question of government security, though, as international tensions as well as partisanship continued to mount. The 1948 Hearings of the Un-American Activities Committee was only one indication of these developments. During this investigation a number of ex-Communists gave testimony about Communist

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<sup>45</sup>Ibid.

<sup>46</sup>Ibid., 1664.

espionage activities in the United States.<sup>47</sup> Their allegations were important to the China Lobby's campaign to convince the American people that China was being defeated by the forces of Mao Tse-tung because of American traitors.<sup>48</sup> With the apparent increase in the danger from international Communism to the United States, the public was becoming more susceptible to this explanation.<sup>49</sup>

The term "traitors" and "betrayal" increasingly became standard epithets with China Lobby writers. It was at this time that Service and Davies were first brought into the betrayal thesis by these writers, who referred to the Foreign Service Officers as part of the clique within the State Department which was carrying out the conspiracy against China.<sup>50</sup>

Despite the efforts of the China Lobby to exploit America's fear of Communism and a growing partisanship at the Congressional level, the presidential campaign of 1948 was characterized by a high degree of unity between the two

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<sup>47</sup>Service was mentioned twice briefly in regards to the Amerasia case. See U. S. House of Representatives, Committee on Un-American Activities, Hearings Regarding Communist Espionage in the United States Government, Hearings before the Committee on Un-American Activities, House of Representatives, 80th Cong., 2nd sess., (Washington, D.C., 1948).

<sup>48</sup>Koen, 90.

<sup>49</sup>Ibid., 24.

<sup>50</sup>Ibid., 191-2.

major parties concerning foreign policy. Totally confident of victory at the polls, the G.O.P. strategists decided not to attack the Democratic administration's Far Eastern diplomacy, but contrary to all expectations, Truman won in November.<sup>51</sup>

Dewey's surprising defeat and the deepening crisis facing the Nationalists moved the Republicans and the China Lobby one step closer together. The lobby's assurance of increased assistance apparently destroyed, its hopes were further shaken when the Truman administration began a serious reappraisal of the entire program of aid to the Nationalist government. In response to this, Madame Chiang returned to Washington and assisted in the revision and expansion of the lobby over the next few months.<sup>52</sup> The tactics of the lobby also moved further from legitimate, if exaggerated, argument. When the voters failed them, "the Chinese and the Americans they used and were used by" turned more than ever before to "demagoguery, slander, intimidation, and the most direct intervention in American domestic politics."<sup>53</sup>

This task was made easier by the intensification of partisan politics. Dewey's defeat at the polls led many

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<sup>51</sup>Westerfield, 296, 306.

<sup>52</sup>Ibid., 38.

<sup>53</sup>Philip Horton and Charles Wertenbaker, "The China Lobby," Reporter, VI (April 29, 1952), 20.

Republican leaders to believe that their party's loss had resulted from the Governor's "me-tooism," especially in international affairs. They became convinced, consequently, that the politically wise course was to attack all administration measures, and foreign policy issues were the most easily exploitable.<sup>54</sup>

Hurley, who had also been rejected by the voters, remained one of the most outspoken critics of America's China policy. In a speech before the Georgetown University School of Foreign Service in early 1949, he launched another bitter attack. This time his major thrust was directed against the Yalta agreement and its effect on China.<sup>55</sup> The accusations, both old and new, made by him were becoming more useful to both the China Lobby and the Republican party.

On February 7, fifty-one Republican representatives presented Truman with an urgent inquiry concerning the administration's future plans for supporting Chiang Kai-shek.<sup>56</sup> This move was followed a few days later by the defection to the China bloc of the first influential Democratic member of the Senate, Pat McCarran of Nevada, who introduced a bill providing large-scale assistance to China. Dean Acheson, who

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<sup>54</sup>John W. Spanier, The Truman-MacArthur Controversy and the Korean War (Cambridge, Massachusetts, 1959), 45-6.

<sup>55</sup>New York Times, March 4, 1949, 9:3.

<sup>56</sup>Koen, 109.

had just been appointed Secretary of State, opposed the bill and recommended instead, as a conciliatory gesture to the China bloc, Congressional action to extend the authority of the China Aid Bill of 1948 to permit commitment of the remaining unobligated portion, approximately one-half of that appropriation.<sup>57</sup>

Acheson's recommendation was followed, but the supporters of Chiang were not satisfied with this meager concession. Senator Bridges immediately launched a full-scale attack on the State Department's conduct of relations with China, introducing a resolution calling for a special Congressional investigation. His attack was strongly supported by Senators McCarran and William F. Knowland, Republican from California.<sup>58</sup> Although the resolution was buried by the Senate Foreign Relations Committee, more Congressmen, such as Republican Senators Owen Brewster, of Maine, and Homer Ferguson, of Michigan, joined the parade of China supporters, and Vandenberg was now severely criticizing the State Department's policy.<sup>59</sup> This Congressional bloc was formed almost totally along party lines.

Secretary Acheson gave the China bloc a new target.

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<sup>57</sup>Ibid.; Tsou, 499-500.

<sup>58</sup>Tsou, 501; Koen, 109-10.

<sup>59</sup>Tsou, 503; Koen, 110.

Although he merely continued Marshall's policy, which was based on the belief that only active United States military intervention would save China and that America should not undertake such a choice, he did not have Marshall's prestige. His suave, intelligent self-assurance made him an even better target,<sup>60</sup> and his decision to explain American policy to the public further weakened his position.

The State Department's White Paper on China, issued on August 5, 1949, was an attempt to justify United States policy since World War II. Acheson's accompanying letter to the volume attributed the failure in China to the basic weaknesses of the Nationalist government. He pointed out that the only alternative open to the United States was full-scale military intervention to aid a government which had lost the confidence of its people. Moreover, the American public would not have accepted such a policy.<sup>61</sup>

If Acheson and the State Department had hoped this publication would silence their critics, they were soon disappointed, for it only gave the China Lobby new evidence with which to work. The day the White Paper was released, Judd and Knowland criticized it on the floor of Congress, and two days later, Hurley issued a statement permeated with the

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<sup>60</sup>Norman A. Graebner, "Dean G. Acheson," in Graebner, 283.

<sup>61</sup>Relations with China, xv-xvi.

conspiratorial thesis.

The former Ambassador's caustic press release called the publication "a smooth alibi for the pro-Communists in the State Department who have engineered the overthrow of our ally, the Nationalist Government of the Republic of China, and aided in the Communist conquest of China."<sup>62</sup> He asserted sarcastically that the State Department had apparently "recovered the five or six suitcases full of State Department documents that were given or sold to the pro-Communist Amerasia Magazine" since it quoted documents "that were not available to me when I testified in December, 1945 . . .

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After restating his directives, Hurley protested that the quotations attributed to him in the White Paper making him seem pro-Communist had been made when Russia was America's ally and his directive was to unify all the military forces in China. He next criticized the paper for distorting and minimizing the significance of the recommendations made by George Atcheson in February, 1945, for they "were made in my absence and were intended to destroy the National Government of the Republic of China, by arming the Chinese Communist Party whose purpose it was to overthrow the

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<sup>62</sup>"A Few Comments about One-Thousand Pages of White Paper," August 7, 1949, Hurley Papers.

<sup>63</sup>Ibid.



government which I was directed to uphold."<sup>64</sup> Moreover, the White Paper did not indicate that after Acheson's telegram arrived in the United States, he was

called on the carpet with a full array of the pro-Communists of the State Department as my judges and questioners, to defend the American policy in China against 'every official of the American Embassy in China.' I won over all of their criticism for one reason only. President Roosevelt sustained my position and said it was in keeping with the traditional American policy in China. Nearly all the officials relieved by me in China because they were pro-Communists are now in the State Department presumably writing alibi White Papers.<sup>65</sup>

Following these comments, the former Ambassador discussed the Yalta agreement. He asserted that neither he nor a Chinese representative were at the Yalta meeting where concessions were made

in violation of America's traditional policy and in violation of China's right to territorial integrity and political independence.

The Yalta secret agreement is the blue-print for Communist conquest of China. The import of the White Paper to the effect that we were compelled to meet these demands because we were afraid of what Russia would do about our war with Japan, is not a satisfactory reason for our entering into the secret agreements of Yalta . . . . America's military power at the time of Yalta was invincible. The United States did not need Russia. Russia dared not oppose the United States.<sup>66</sup>

Hurley concluded by declaring that the "surrender of all of these rights to Russia in China was legally and

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<sup>64</sup>Ibid.

<sup>65</sup>Ibid.

<sup>66</sup>Ibid.

morally unjustified, and no White Paper will ever be able to change the history of America's diplomatic failure in China."<sup>67</sup>

The next Republican attack on the White Paper came on August 19, when Judd charged that the State Department had omitted documents which would further support the charges being made by the critics. The climax was reached when Senators Bridges, Knowland, McCarran, and Wherry issued a lengthy memorandum bitterly attacking the publication as a "whitewash."<sup>68</sup>

The outcry became so great that it threatened the administration's other programs, and compromise on China again seemed necessary. Another China aid bill, suggested by Vandenberg, was subsequently adopted by the Senate in September but it was of no avail.<sup>69</sup>

The total collapse of Nationalist China, which came in October, 1949, was a great shock to the nation. The people were simply unable to believe that the Chinese could have made such a decision "without the active participation and positive concurrence of Washington."<sup>70</sup> From this attitude, it was easy to convince Americans that the "policies followed by the United States had been deliberately designed

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<sup>67</sup>Ibid.

<sup>69</sup>Tsou, 512.

<sup>68</sup>Westerfield, 356; Tsou, 509.

<sup>70</sup>Koen, 17.

to turn China over to the Communists."<sup>71</sup>

Members of the China bloc encouraged this viewpoint. For example, on October 19, Judd cited Service's report of October 10, 1944, as an illustration of "the conniving against highest officials of the Government of China being carried on even during the war by representatives of our Government."<sup>72</sup> Instead of supporting Chiang Kai-shek, State Department employees, such as this officer, were criticizing the Generalissimo and his government and insisting that the United States intervene to "coerce" the Nationalist government "into so-called cooperation with a Communist Rebellion."<sup>73</sup> Judd then ironically asserted that the Department of State continued to promote Service even though his conclusion concerning the Chinese Communists was either an "incredible miscalculation or misrepresentation," Hurley removed him from China and accused him of being pro-Communist, and he was involved in the Amerasia case.<sup>74</sup> The Senator ended his speech by avowing that the Nationalist government had not received the full support of the United States.<sup>75</sup>

Other startling events of 1949 contributed to the

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<sup>71</sup>Ibid.

<sup>72</sup>Congressional Record, 81st Cong., 1st sess., XCV, Part 11, 15091.

<sup>73</sup>Ibid., 15092.

<sup>74</sup>Ibid., 19092-3.

<sup>75</sup>Ibid.

easy acceptance by the American public of the China Lobby's explanation of the defeat of Chiang Kai-shek. In addition to the "loss" of China, there had been the advent of the Soviet atom bomb and the Alger Hiss case. All of these "bad" things could not have happened if it were not for the work of a few wicked men. As the sense of conspiracy mounted, the State Department became easy prey. It had always been rather suspect, and it was assumed to have played a key role in all the foreign policy decisions which had become failures.<sup>76</sup> By the end of 1949, large sections of the public, the press, and the membership of Congress had come to believe the charge that Chiang Kai-shek had been sold down the river by the State Department.<sup>77</sup>

The Republican party was not slow to capitalize on this situation. The Congressional leadership of the party returned, in early 1950, to the traditional conservative members who rejected bipartisan politics and to whom a conspiratorial interpretation was appealing.<sup>78</sup> The Republicans quickly reminded the public that they had not been consulted in the determination of America's China policy and pointed smugly to their efforts to give more assistance to Chiang

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<sup>76</sup>Eric F. Goldman, The Crucial Decade: America 1945-1955 (New York, 1956), 123.

<sup>77</sup>Koen, 15.

<sup>78</sup>Spanier, 268-9.

Kai-shek.<sup>79</sup> The Democrats were also attacked for allowing Communist agents and sympathizers to infiltrate the government and for destroying the basis of the American system.<sup>80</sup>

It was not surprising, therefore, that Truman's announcement on January 5, 1950, that the United States would take no military measures to support Taiwan was greeted by a united Republican attack. Knowland opened the assault, calling for a major shake-up in the Far Eastern Division of the State Department, the appointment of General MacArthur as coordinator of American policy in East Asia, and extensive economic and military aid to Taiwan under the guidance of General Wedemeyer.<sup>81</sup> Former President Herbert Hoover and Senator Robert A. Taft, Republican from Ohio, who had both earlier endorsed a recommendation for aid were outspoken in their criticism. Taft charged on the floor of the Senate that the State Department's China policy had "been guided by a left-wing group who obviously wanted to get rid of Chiang, and were willing at least to turn China over to the Communists for that purpose."<sup>82</sup> Senators Vandenberg and H. Alexander Smith, Republican from New Jersey, were angry because the Senate Foreign Relations Committee had not been consulted.<sup>83</sup>

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<sup>79</sup>Westerfield, 343.

<sup>80</sup>Spanier, 268-9.

<sup>81</sup>Tsou, 532.

<sup>82</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 1, 298.

<sup>83</sup>Tsou, 532.

Despite these vehement denunciations, the alternatives proposed by the Republicans found little support from the public.<sup>84</sup> The advantage enjoyed by the administration was only a temporary one for new difficulties were being created from another direction.

The conviction of Hiss and the Judith Coplon and Klaus Fuchs espionage cases had again raised the question of Communists in government.<sup>85</sup> It was at this juncture that Republican Senator Joseph R. McCarthy, of Wisconsin, entered the China policy debate.

He had never been a member of the China bloc, and it is unlikely that he planned to concentrate his onslaught on China policy, but the existing political atmosphere made it almost inevitable.<sup>86</sup> McCarthy had casually decided on the question of Communist infiltration in the government for a dramatic issue in his upcoming reelection campaign.

In his first speech on this subject, he dramatically stated that he had in his hand "a list of 205 . . . names that were made known to the Secretary of State as being members of the Communist Party and who nevertheless are still

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<sup>84</sup>Ibid.

<sup>85</sup>Westerfield, 368; Koen, 113.

<sup>86</sup>Westerfield, 375-6.

working and shaping policy in the State Department."<sup>87</sup>

Service was cited by the Senator as one of his specific cases.<sup>88</sup> Although this address received slight notice in the press, McCarthy continued to hit away on the topic in speeches during the next few days. Before long, his charges became national news, and efforts by the President and the State Department to reassure the public had little effect.

The Senator accidentally discovered that his assaults on those concerned with China policy gained him the greatest publicity. Earlier, in January, McCarthy had referred to Service on the floor of the Senate. He denounced the officer as the man, who, according to Hurley, "advocated that we torpedo Chiang Kai-shek and who officially as a representative of the State Department said that the only hope of Asia was Communism."<sup>89</sup> Noting Service's involvement in the Amerasia case, the Senator also asserted that the officer "was not tried, he was not convicted, but was brought home,

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<sup>87</sup>McCarthy's speech was at Wheeling, West Virginia on February 9, 1950. See State Department, II, 1763. Although Richard H. Rovere, Senator Joe McCarthy (New York, 1959), 125-8 states that no complete text of this speech has ever been located, an authenticated copy was included in the Supplemental Data submitted to the Senate Committee on Foreign Relations in their hearings on the State Department. See Supplemental Data, State Department, II, 1757-63.

<sup>88</sup>State Department, II, 1765.

<sup>89</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 1, 86.

promoted. . . ."<sup>90</sup> As McCarthy gradually began to emphasize America's China policy as a key sphere of Communist activity<sup>91</sup> he added new names to his list, but Service would remain one of his central targets.

By taking a pro-Nationalist line, the Senator assured himself of considerable reinforcement in his own party and a wide public hearing.<sup>92</sup> The frustrated and embittered Republicans were amenable to McCarthy's attack on China policy which was built on Hurley's theory of conspiracy, and for the first time, he gained the support of powerful and respectable party leaders.<sup>93</sup> The events of the past few months had also made the American people susceptible to this thesis. The Senator from Wisconsin had found the focus for his barrage. He had also struck a direct blow for one of the main theses of the China Lobby. For years the Chinese Nationalists and their spokesmen in the United States had been insisting that "American Far Eastern policy was being made by Communists for Communists."<sup>94</sup> From then on McCarthy would ally himself with the China Lobby.

The Senator was at first surprised to find himself the cause of a major sensation, but he was not slow to

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<sup>90</sup>Ibid.

<sup>92</sup>Ibid., 375-6.

<sup>94</sup>Koen, 114.

<sup>91</sup>Westerfield, 375.

<sup>93</sup>Tsou, 539.



capitalize upon this opportunity for power. He had found the recognition which he had so desperately been seeking. On February 20, he delivered his first major Senate speech since the headlines had begun to carry his charges. This session, which began late in the afternoon and lasted until almost midnight, was "one of the maddest spectacles in the history of representative government."<sup>95</sup> McCarthy repeated in detail the accusations he had made in the past eleven days, namely that there were "presently in the State Department a very sizeable group of active Communists."<sup>96</sup> This time the specific number he gave was eighty-one.

Senator Scott W. Lucas, Democrat from Illinois and majority leader, finally interrupted to demand that McCarthy name the persons he was accusing of being Communist.<sup>97</sup> Although the Wisconsin Senator generally refused to explain or amplify his statements, he did reveal, later in the evening, that he could not include Service in his present list of Communists since the officer's "file for some mysterious reason has disappeared and is locked up in the safe of the top brass of the State Department."<sup>98</sup>

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<sup>95</sup>Rovere, 133.

<sup>96</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 2, 1952.

<sup>97</sup>Ibid., 1953.

<sup>98</sup>Ibid., 1973.

As the hours passed, and McCarthy continued to ramble, "growing hoarser, redder, and less coherent,"<sup>99</sup> Lucas persisted in his interruptions.<sup>100</sup> Their verbal exchange became quite heated as it progressed. Once when the majority leader asked the Senator if he had ever stated that he had a list of 205 names, McCarthy retorted: "I may say, if the Senator is going to make a farce of this, I will not yield to him."<sup>101</sup>

Several of his fellow Republicans came to the Wisconsin Senator's assistance. Henry Cabot Lodge, Jr., of Massachusetts, who had to leave before the session ended, expressed interest in what McCarthy was saying.<sup>102</sup> Concerned that only a few Senators were present to hear the "very important speech" which was being made, Senator Wherry asked for a quorum call.<sup>103</sup> William Langer of North Dakota declared that he "absolutely agreed" with the Senator from Wisconsin.<sup>104</sup> The Senator from Idaho, Henry C. Dworshak, added that McCarthy's revelations had "shed some light upon the possible reasons for the State Department's foreign policy in China

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<sup>99</sup>Rovere, 133.

<sup>100</sup>Rovere asserts that he interrupted McCarthy sixty-one times. See Rovere, 133.

<sup>101</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 2, 1957.

<sup>102</sup>Ibid., 1954.

<sup>103</sup>Ibid., 1955.

<sup>104</sup>Ibid., 1959.

during the past few years . . . ."105 Although it was "too late now to counteract that insidious State Department influence," the people should know the truth and a housecleaning should be made.<sup>106</sup>

Late in the evening, Brien McMahon, Democrat from Connecticut, endeavored to come to the rescue of the administration. Called back to the Senate from a party, he made "34 vain attempts" to have McCarthy submit proof of his claims.<sup>107</sup> During this debate, the Senator from Wisconsin was encouraged by his supporters to hold firm. Karl E. Mundt, Republican from South Dakota, expressed his hope that McCarthy would not listen to McMahon and would not "discontinue his efforts to purge Communists from the Government."<sup>108</sup>

Although the evening ended as it had begun, dominated by McCarthy and his allegations, Lucas had the last word before adjournment. Declaring that the Senator from Wisconsin had "done an injustice to members of the State Department who are loyal and patriotic," the majority leader asserted that it would have been better for the country if McCarthy "had submitted the names [of the Communists] directly to a Committee of the Senate or to the State Department, instead of making political propaganda out of it from one end of the

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<sup>105</sup>Ibid., 1963

<sup>106</sup>Ibid.

<sup>107</sup>Rovere, 133. See also Congressional Record, 81st Cong., 2nd sess., XCVI, Part 2, 1967-71.

<sup>108</sup>Ibid., 1969.

country to the other."<sup>109</sup> After avowing that every member of the Democratic party was as interested in determining if there were Communists in the government as was the Senator from Wisconsin, Lucas guaranteed that there would be an immediate investigation. By this means, the facts could be determined and "not by innuendo and by half-truths and distorted facts."<sup>110</sup> If it were revealed that there were Communists, the majority party would "not rest until such Communists are discharged from office."<sup>111</sup>

The next morning, the majority leader took up the issue again. He reiterated that McCarthy had presented "some very serious charges against the State Department" which "cast a dark cloud of suspicion upon the loyalty of many persons who are now serving in the State Department."<sup>112</sup> Since these accusations presented "serious implications to the safety and security of the Nation," it was his opinion that they could "neither be ignored nor bargained with."<sup>113</sup> A "complete and thorough investigation" should, therefore, be made.<sup>114</sup> After explaining that he had discussed this matter with Tom Connally, who was still chairman of the Committee on Foreign Relations, Lucas presented a resolution authorizing the

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<sup>109</sup>Ibid., 1981.

<sup>111</sup>Ibid.

<sup>113</sup>Ibid.

<sup>110</sup>Ibid.

<sup>112</sup>Ibid., 2062.

<sup>114</sup>Ibid.

committee "to conduct a full and complete study and investigation as to whether persons who are disloyal to the United States are employed by the Department of State as charged by the Senator from Wisconsin [McCarthy] ."115

The initial reaction on the Republican side of the chamber was enthusiastic. Lodge expressed pleasure that Lucas recognized the importance of the issue,<sup>116</sup> and Ferguson was "heartily in agreement with the proposed investigation."<sup>117</sup> In a short while, though, concern was expressed about the wording of the resolution.

Although favoring an investigation of the State Department, Brewster wanted assurance that the resolution be in the proper form so that the inquiry could fully accomplish its objective.<sup>118</sup> These comments set off a discussion concerning amendments, and it was finally decided that a decision on Lucas' proposal should be postponed until the following day.

Debate on the resolution was reopened on February 22, and the discourse again centered upon the topic of amendments. Ferguson, who had offered one the previous day, now recommended that two amendments be made. He wanted the investigation to cover past as well as current employees of the

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<sup>115</sup>Ibid.

<sup>117</sup>Ibid., 2064.

<sup>116</sup>Ibid., 2062-3.

<sup>118</sup>Ibid.

Department of State. He also urged that the phrase, "in the conduct of this study and investigation the Committee is directed to procure, by subpena, and examine the complete loyalty and employment files and records of all the Government employees in the State Department," be added to the resolution.<sup>119</sup> After considerable discussion, both of Ferguson's amendments were accepted. There was one other interesting modification in the original resolution. The phrase "as charged by the Senator from Wisconsin," was also deleted.<sup>120</sup> These changes made, the resolution was approved.<sup>121</sup>

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<sup>119</sup>Ibid., 2143.

<sup>120</sup>Ibid., 2150.

<sup>121</sup>Ibid.

## CHAPTER XI

### THE STATE DEPARTMENT EMPLOYEE LOYALTY INVESTIGATION AND ITS AFTEREFFECTS

The Senate hearings, which opened on March 8, 1950, began in an air of partisanship from which it never escaped. Democratic party lines had begun to tighten as its members felt that the Republicans were simply making political capital of the situation. Realizing that there was no possible way of disproving every wild charge against the State Department, Millard E. Tydings of Maryland, the Democratic Chairman of the subcommittee, was anxious to end the probe before the fall elections came. On the other hand, the Republicans were hopeful that their party would make gains at the polls because of this attack. McCarthy, the focal point of the hearings, cared only about keeping his accusations a few weeks ahead of the investigation and was able to maintain the initiative.<sup>1</sup>

The Senator from Wisconsin was the first witness to appear before the subcommittee, and hostility from the Democratic members, especially Tydings, became apparent

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<sup>1</sup>Westerfield, 376.

almost immediately. As the subcommittee fractured along party lines, the key participants in the verbal battle were Bourke B. Hickenlooper of Iowa and Henry Cabot Lodge, Jr. of Massachusetts on the Republican side and Theodore F. Green of Rhode Island and Tydings on the Democratic. The other Democratic member of the subcommittee, Brien McMahon, was relatively quiet during the hearings. Several members of the subcommittee's legal staff, such as Edward P. Morgan, Chief Counsel, and Robert Morris, one of the assistants, posed frequent questions to those who testified. Morris was especially vociferous, and the type of questions he asked indicated his sympathy for the ideas of McCarthy.

The Wisconsin Senator's testimony consisted of attacking a long list of people, one of whom was Service. McCarthy's charges against the officer were based primarily upon three sources: Hurley's allegations, Emmanuel Larsen's article in Plain Talk, and articles from the key spokesmen of the China Lobby.<sup>2</sup> On March 14, the Senator declared to the subcommittee that the "Communist affiliations of Service are well known" and described the officer as a "known associate and collaborator with Communists and pro-Communists, a man high in the State Department, consorting with admitted espionage agents."<sup>3</sup> He elevated Service to "one of the dozen

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<sup>2</sup>Koen, 206.

<sup>3</sup>State Department, I, 131, 140.



top policy makers in the entire State Department on far-eastern policy"--"one of the small group of 'untouchables' who year after year formulate and carry out the plans for the Department of State . . . ."4

The Senator also talked at length about the Amerasia case, quoting from Larsen's article. He especially noted the former State Department employee's assertion that Service was "'responsible for driving Ambassador Patrick Hurley into a blind alley and retirement.'"5 Continuing his discussion of the Foreign Service Officer and the case, he falsely stated that a number of the members of the grand jury which originally heard the case, had voted for Service's indictment.<sup>6</sup> McCarthy concluded his testimony on the officer by declaring that Service "was not an acceptable security risk . . . the day he entered the Government. He is not a sound security risk today."<sup>7</sup>

Approximately twenty-four hours later, the officer, enroute to a new post in India, was recalled to the United States. Although his file had again been reviewed in January, 1949, by the State Department,<sup>8</sup> he was now to appear

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<sup>4</sup>Ibid., 131.

<sup>5</sup>Ibid., 133.

<sup>6</sup>Ibid., 136. This statement, which was completely in error since the jury voted unanimously not to indict him, was only another example of McCarthy's tactics of making accusations without evidence to substantiate them.

<sup>7</sup>Ibid., 140.

<sup>8</sup>New York Times, March 16, 1950, 1:1.

personally before the subcommittee which would reexamine his loyalty record. The charges against Service were of a dual nature: (1) that he was a pro-Communist as indicated by his reports from China, during the period, 1943 to April, 1945, in which he allegedly advocated the cause of the Chinese Communists and by his associations during the same period with Communists; and (2) that he was involved in the abstraction of government documents in connection with the Amerasia case.<sup>9</sup>

Despite the recall of the Foreign Service Officer to face these accusations, John Peurifoy, Deputy Under-Secretary of State in Charge of Administration, asserted that the "so-called" case against Service by McCarthy had been made by reviving "dead, discredited and disproven charges."<sup>10</sup> Declaring that Service was an able, conscientious, and demonstratively loyal Foreign Service Officer and that it was a "shame and disgrace that he and his family should have to face, once again, such humiliation, embarrassment and inconvenience . . . ," Peurifoy proclaimed the sympathy and good wishes of the whole Department to the officer.<sup>11</sup>

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<sup>9</sup>State Department Report, I, 84.

<sup>10</sup>New York Times, March 17, 1950, 1:4.

<sup>11</sup>Ibid., 10:3.

When Hurley heard of Service's recall, he apparently contacted Tydings about appearing before the subcommittee. On June 2, the Senator telephoned the former Ambassador concerning the investigation of the Foreign Service Officer. He told Hurley that the subcommittee was primarily interested in the Amerasia case, but as chairman, he wanted to do "a decent job" and if the former Ambassador felt that his testimony would make a contribution, he wanted him to do so. Tydings pointed out that some of Hurley's information, though, might be based on misunderstanding. The former Ambassador replied that an informant in 1945 had told him that his documents "were getting into the Communist hands," and he mentioned "JSS and JPD and E.L."<sup>12</sup> The Senator then stated that although he would like Hurley to come, he had the feeling that "what you [Hurley] are going to tell me is hearsay."<sup>13</sup> The former Ambassador retorted, "Not in regard to D. and S. [Davies and Service]"<sup>14</sup> He further asserted that he had been told that J. C. Vincent was a Communist. Hurley also discussed how he had been "smeared" the last time he testified, and he concluded the conversation by stating that

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<sup>12</sup>Telephone Conversation between Tydings and Hurley, June 2, 1950, Hurley Papers. It is certain that the J.S.S. referred to John Stewart Service and the J.P.D. is John Paton Davies. E.L. may be Emmanuel Larsen.

<sup>13</sup>Ibid.

<sup>14</sup>Ibid.

telephones had ears.<sup>15</sup>

A few days later, Tydings and the former Ambassador had a second telephone conversation on the same topic, and the Senator again implied that some of Hurley's information was based on misunderstanding. Whereas Tydings seemed hesitant about whether the former Ambassador had anything to contribute, Hurley was anxious to testify. He told the Senator: "I do say that JSS [John Stewart Service] . . . and two others were actively aiding in the defeat of the American party in China in favor of the Chinese Armed Communist party. Now that is true and I have the documentary evidence . . . ." <sup>16</sup>

Pointing out that most of the information on the Amerasia case had been acquired illegally and that the former Ambassador had been in China at that time, Tydings wondered if Hurley really knew about the case. He added, however, that since he wanted to "get the Amerasia thing cleared up," if the former Ambassador thought he could help clarify the situation, he wanted him to testify. No decision was reached as to whether Hurley would or would not appear, though, when the conversation ended. <sup>17</sup>

Later in the month, Hurley apparently spoke with

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<sup>15</sup>Ibid.

<sup>16</sup>Telephone Conversation between Tydings and Hurley, June 5, 1950, Hurley Papers.

<sup>17</sup>Ibid.

Tydings again. He told the Senator that before he would testify, he wanted the documents which he had asked for in 1945 and had not received. If he could not have these papers, it would be futile for him to appear before the subcommittee and "undergo another smear attack from the enemies of my country who have access to secret documents of our government that are not available to me."<sup>18</sup>

The next day, the former Ambassador received the following telegram from Tydings:

Just received rumors to effect that you had told some Senators you had been summoned to appear Monday. Of course we both know no summons had been issued to you in view of your conversation with me on telephone yesterday (sic) I have notified committee I do not intend to ask you to testify as witness for unless we could get secret documents your testimony would be the same as that before the Foreign Relations Committee taken several years ago (sic) in (sic) view of the fact that we cannot get documents I am not issuing any summons or request . . . to come to Washington to testify.<sup>19</sup>

The former Ambassador immediately replied by wire that he was certain that he could not have been the basis of the rumor. Hurley also declared that he agreed with Tydings that a summons should not be issued for him to appear before the hearings.<sup>20</sup> Despite this stated approval of the

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<sup>18</sup>Hurley to Tydings, June 20, 1950, Hurley Papers. This apparently is a memorandum of a telephone message.

<sup>19</sup>Tydings to Hurley, June 21, 1950, Hurley Papers.

<sup>20</sup>Hurley to Tydings, June 21, 1950, Hurley Papers.

Senator's decision, the former Ambassador must have been unhappy with it.

Meanwhile, the Senate investigation had been progressing. Because of the type of charges leveled against State Department employees, such as Service, an effort was made at the beginning of the hearings to determine the thoroughness of loyalty checks upon government employees. The State Department Loyalty Security Board and the Loyalty Review Board were asked to appear to explain their procedures. Both of these Boards had been organized as a result of President Truman's loyalty program of 1947.

Following this phase of the investigation, a number of former Communists, many of whom had testified during the House Un-American Activities hearings of 1948, appeared before the subcommittee. Once again these people made allegations against a number of people, including Service. Davies was also mentioned, although less frequently.

Louis Budenz, one of these ex-Communists, asserted that although he was unaware of Service's political affiliations, the officer had been referred to in Communist discussions as a pupil of Owen Lattimore, a Far Eastern specialist and one of the key people under scrutiny by the subcommittee for being pro-Communist. Asked by Hickenlooper if he knew anything about John Davies, Budenz replied that

he did not.<sup>21</sup> Although Budenz was accused later in the hearings of making false statements by two other former Communists, his comments about Service left an unfavorable impression upon some of the subcommittee members.<sup>22</sup>

Freda Utley, journalist, former member of the British Communist Party, and a member of the American China Policy Association, testified critically about both Service and Davies. Quoting from their China reports, she implied that the officers were part of the coterie of friends of the Chinese Communists.<sup>23</sup> The main thrust of her testimony was directed against Lattimore, and she declared that Service and Davies were among those Foreign Service Officers influenced by the Far Eastern specialist.<sup>24</sup>

When Owen Lattimore appeared before the subcommittee, he was asked about his association with Service. The Far Eastern specialist explained that he had first met the Foreign Service Officer in China in the 1930's and had seen him infrequently over the years since then. Lattimore

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<sup>21</sup>State Department, I, 613.

<sup>22</sup>Ibid., 235-9, 669-707.

<sup>23</sup>Ibid., 750-2.

<sup>24</sup>Evidence was later cited that she had connections with the China Lobby and had Nazi sympathies by Lattimore's lawyer. Ibid., 772-96.

further testified that he had always considered Service "one of the most hard-working and well-informed and intelligent younger men in . . . the service."<sup>25</sup>

The Amerasia case was also thoroughly scrutinized during the hearings in the hope that the "mystery attributed to the case may be once and for all dispelled . . . ." <sup>26</sup> Simultaneously with the subcommittee's investigation, a special federal grand jury began a study of the case. The grand jury probe was instituted with the sanction of the federal authorities,<sup>27</sup> which in itself demonstrated the tremendous concern and interest generated by the Amerasia affair.

The Congressional inquiry was most rigorous. It carefully studied the results of the above grand jury probe and the transcripts of the original grand jury proceedings. The hearings of the Hobbs committee which reviewed the case in 1946 as well as all the documents and papers which were seized during the investigations and at the time of the arrests were also examined. In addition, most of the people who had been involved in the case were interrogated. One of the major concerns of the subcommittee was to determine whether any pressure had been exerted on those prosecuting the case "to go easy."

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<sup>25</sup>Ibid., 848.

<sup>26</sup>State Department Report, I, 78.

<sup>27</sup>New York Times, June 10, 1950, 1:1.



Frank B. Bielaski, who had been director of the investigation for the Office of Strategic Services, reviewed aspects of the case at length for the subcommittee.<sup>28</sup> James McInerney, who had been special assistant to the Attorney General and was then Assistant Attorney General, testified that there was no espionage "in the usual sense" involved in the Amerasia affair since there was "no transmission . . . [or] evidence of intent to injure the United States or help an enemy or a foreign government."<sup>29</sup> As for any pressure from the State Department about the case, the only concern expressed had been for the Department of Justice to prosecute the case thoroughly.<sup>30</sup> McInerney further avowed that Robert M. Hitchcock, the prosecuting attorney of the case, had been pretty well convinced prior to the grand jury trial that Service was innocent.<sup>31</sup>

Hitchcock also appeared before the subcommittee, defending both himself and the handling of the case. He testified that "Every bit of evidence we had, including every document seized, was submitted to that grand jury."<sup>32</sup>

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<sup>28</sup>Ibid., 923-67.

<sup>29</sup>Ibid., 1064.

<sup>30</sup>Ibid., 997.

<sup>31</sup>Ibid., 973.

<sup>32</sup>Ibid., 1017.

Questioned by Tydings if there had been any information "that showed that Service was connected in any manner, shape, or form with the taking or stealing of documents from the State Department . . . ," Hitchcock replied: "No, sir . . ." <sup>33</sup>

The lawyer was also asked by McMahon if there was anything about the case "that would justify the use of the word 'fix.'" <sup>34</sup> Hitchcock retorted: "No, sir, and unqualifiedly no . . ." <sup>35</sup>

D. Milton Ladd, who had been in charge of the F.B.I. investigation of the case, was another who testified. During his appearance before the subcommittee, he revealed that the documents about which there had been the greatest concern dealt with Japan, not China. <sup>36</sup> Quizzed about State Department employees giving information to Jaffe, Ladd discussed Service and acknowledged that the Bureau had a recording of conversation between Jaffe and Service during which the officer had stated, "' Well, what I said about the military plans is, of course, very secret.'" <sup>37</sup> As Ladd was questioned further about Service, it was brought out that all of the F.B.I. information on the officer was available to the subcommittee.

The F.B.I. representative was also interrogated, as

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<sup>33</sup>Ibid., 1008.

<sup>34</sup>Ibid., 1032.

<sup>35</sup>Ibid.

<sup>36</sup>Ibid., 1056.

<sup>37</sup>Ibid., 1063.

were most of the others who testified about the Amerasia affair, if there had been any improper influence used in the case. He responded that no one had approached the Bureau in connection with any "fix."<sup>38</sup>

Julius C. Holmes, Assistant Secretary of State at the time of the Amerasia case, also appeared before the subcommittee. Much of his testimony concerned the question of whether any pressure was exerted during the prosecution of the case. He noted that he had heard in June, 1945, that there was some, apparently from the President because of the delicacy of United States relations with Russia at that time. The State Department had been very upset by this report and had contacted Truman. The President had become angry and immediately called the F.B.I., informing them to go ahead with the case and if "anybody suggests that you postpone, or anything else, you are not to do it without first personal approval from me."<sup>39</sup>

Holmes next testified that after Service was cleared by the grand jury, he, as chairman of the Foreign Service Personnel Board, had inquiries made of Hitchcock to determine if there was any evidence that should prejudice the officer's continuance with the Foreign Service. Although Hitchcock gave the assurance that there was nothing, the Board had

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<sup>38</sup>Ibid., 1066.

<sup>39</sup>Ibid., 1169.

questioned Service "closely for quite a long time; and I gave him . . . a very severe oral reprimand for being indiscreet . . . ." <sup>40</sup> After its session with the Foreign Service Officer, the Board had unanimously concluded that there was no reason why Service should not be reinstated, and this was recommended to the Secretary of State. <sup>41</sup>

Interrogated about this decision, Holmes pointed out that the Foreign Service Personnel Board had had a large amount of information upon which its determination had been made. He was then asked if the Board had been given F.B.I. evidence indicating that Service had "been imparting military information, secretly, to Philip Jaffe?" After replying "no" to this, <sup>42</sup> he was quizzed whether the Board had determined if all F.B.I. evidence had been presented to them. To this, Holmes answered that he thought so but he could not be certain. <sup>43</sup>

Additional evidence concerning the case was also submitted by the State Department--a statement from Joseph Grew. The former Acting Secretary of State pointed out that when he had been informed of the investigation in the spring

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<sup>40</sup>Ibid., 1172.

<sup>41</sup>Ibid.

<sup>42</sup>This question no doubt referred to Ladd's comment. Holmes apparently misunderstood the question, since it seems certain that the F.B.I. information on this conversation was available to the Board.

<sup>43</sup>Ibid., 1174.

of 1945, he specifically asked not to be told the names of the State Department personnel involved because he wanted "no discrimination in the administration of justice."<sup>44</sup> When he did learn that Service was one of the persons arrested, he was "shocked."<sup>45</sup> Grew also verified Holmes' testimony that the State Department had contacted Truman after hearing the prosecution of the case was to be delayed and that the President had called the F.B.I. ordering immediate prosecution.<sup>46</sup>

A letter written by the former Acting Secretary of State to Service on April 17, at the officer's request, was offered as further corroboration. In this, Grew asserted that he thought his letter of reinstatement as well as that of Byrnes to Service in August, 1945, "should be sufficient to clarify your position at that time and to substantiate the fact that you had been completely cleared . . . ."<sup>47</sup> He further expressed to the officer that it had been "a great relief to me when you were cleared by the grand jury, and a great satisfaction to see you reinstated in the Foreign Service with no stigma whatever on your record."<sup>48</sup>

Archbold Van Beuren, who had been Security Officer of the O.S.S. in the spring of 1945, was another who testified at the hearings. His testimony was as controversial as

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<sup>44</sup>Ibid., 1179.

<sup>45</sup>Ibid.

<sup>46</sup>Ibid., 1184.

<sup>47</sup>Ibid., 1180.

<sup>48</sup>Ibid.

apparently had been the decision for him to be called. Van Beuren had been interviewed by two members of the subcommittee's legal staff, and presumably was left with the impression that he would not be called. McCarthy had sent him a wire several days after this meeting asking for Van Beuren's opinion of his discussion with the subcommittee's attorneys. This message had been followed by a telephone call from the Senator inquiring if the former security officer was going to respond to the telegram.

Van Beuren had told McCarthy that he was planning to reply, and later that morning, he sent a wire to the Senator expressing dissatisfaction with his meeting with the two lawyers.<sup>49</sup> McCarthy had immediately put the telegram to use. In a speech before the Senate on the day he received the message, the Senator had described the Van Beuren situation as "most fantastic."<sup>50</sup> After stating that two representatives of the subcommittee's legal staff had decided, following an interview with the former Office of Strategic Services security officer, not to call him to testify, McCarthy had asserted that Van Beuren was "the man in charge of the Amerasia case . . . ."<sup>51</sup> The Senator had then read the telegram from the former Office of Strategic Services

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<sup>49</sup>Van Beuren to McCarthy, June 2, 1950. Ibid., 1202.

<sup>50</sup>Ibid., 1201.

<sup>51</sup>Ibid.

employee.

Not surprisingly, Van Beuren had been called to appear before the subcommittee. It quickly became evident, as the former security officer testified and was questioned by the Senators, that he had been involved in the case only in its most introductory phases and had nothing to add. Despite this, Van Beuren made it clear to the subcommittee members that he had been "deeply shocked at the final disposition of the case" since he thought that the F.B.I. had done "an admirable job in apprehending those who were guilty . . . ." <sup>52</sup> He acknowledged, though, that he felt reassured about the case as a result of his appearance before the subcommittee.

Three of the principals of the case were also called upon to testify during the hearings--Philip Jaffe, Emmanuel Larsen, and Service. Jaffe provided no new information as he refused to answer any pertinent questions under privilege of the fifth amendment. <sup>53</sup>

During his two day appearance before the subcommittee, Larsen talked at length about his role in the Amerasia affair. <sup>54</sup> Asked a number of questions about the information

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<sup>52</sup>Ibid., 1204.

<sup>53</sup>Jaffe Testimony, Ibid., 1214-27.

<sup>54</sup>He also testified before the State Department Loyalty Security Board hearings on Service.

he had given Jaffe, the former State Department employee admitted that he had given the journalist documents "on a few occasions."<sup>55</sup> He also testified that when recently shown a number of Service's reports, he had identified at least two or three as ones which he had given to Jaffe.<sup>56</sup>

Another fact revealed during his testimony was that the outer circle of the China Lobby had attempted to gain information from him about the case as well as any evidence of pro-Communist sympathies in the State Department to use in its attack against the administration. Various Senators, including McCarthy, Wherry, and Ferguson, had questioned him several times about the Amerasia affair.<sup>57</sup> His article in Plain Talk, according to his testimony, was another effort to "use" the case.<sup>58</sup>

Larsen denied that he had written the piece as it appeared in the magazine. Although he had been "begged" to write the article, it had then been totally revised to include many comments which he had not made. Questioned at length about this piece, he finally admitted that he had seen the revised version and had initialled it<sup>59</sup> after a long discussion with Kohlberg, who subsidized the magazine. During

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<sup>55</sup>Ibid., 1092.

<sup>56</sup>Ibid.

<sup>57</sup>Ibid., 1100-1, 1111-2.

<sup>58</sup>Ibid., 1119.

<sup>59</sup>Ibid., 1121-2.



this conversation, Kohlberg had shown a number of documents to him as substantiation of the article's thesis that there was "conspiracy . . . within the State Department to pervert the policy of the United States in favor of the Chinese Communists."<sup>60</sup> Larsen further testified that he had told Kohlberg there was a document with evidence that the Chinese Communists were real Communists and had relations with Russia whereas Davies wrote reports "that the Chinese Communists had a non-Russian orientation" and Service stated that the "Communists were pursuing a policy of self-limitation and that they were not going to spread and take over China after the war."<sup>61</sup>

The former State Department employee was also questioned at length concerning his testimony before the Hobbs Committee in 1946. Specifically asked about his statements that some Foreign Service Officers had sabotaged former Ambassador Hurley, Larsen replied "I think they did sabotage Hurley."<sup>62</sup> Asked to identify this group of officers, he named five people, two of whom were Davies and Service. The former State Department employee was then quizzed about how these men had sabotaged the former Ambassador, and he responded: "They made reports to the State Department that were in some instances almost the opposite of what Hurley

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<sup>60</sup>Ibid., 1119.

<sup>62</sup>Ibid., 1134.

<sup>61</sup>Ibid.

<sup>63</sup>Ibid.

reported, and I overheard some of them talk to the effect that Hurley was making an ass of himself, and if they could only get rid of him."<sup>63</sup> Pressed as to who made the above statement, Larsen said that it was hard to remember but he knew that John Carter Vincent had been one.

He was then asked to explain his use of the word sabotage to describe the actions of the Foreign Service Officers. Larsen admitted that it was "a very extreme word to use, but it was the closest description to the manner in which they worked against him [Hurley] in China and after they returned home."<sup>64</sup> Also interrogated about his 1946 testimony that the reports of Davies and Service contained pro-Communist arguments, he was specifically asked if he thought these officers were pro-Communist. The former State Department employee's response was: "No, but they transmitted pro-Communist statements. That does not necessarily say they were pro-Communist."<sup>65</sup>

Near the end of his two day testimony, the question was posed if the views he presented before the Hobbs hearings were the same as he gave to the present subcommittee. Larsen replied that they were not. When asked why, he explained: "What has made me change is the absence of any personal rancor toward Mr. Service."<sup>66</sup> He confessed that he had been incensed

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<sup>63</sup>Ibid.

<sup>65</sup>Ibid., 1137.

<sup>64</sup>Ibid.

<sup>66</sup>Ibid., 1157.

against the Foreign Service Officer in 1946 because "various people such as Republicans and anti-Administration people" had told him that Service had made him the "scapegoat" in the grand jury trial.<sup>67</sup> The former State Department employee concluded by asserting that in his appearance during the present hearings, he had "not colored his testimony in the slightest bit . . . ."<sup>68</sup> In fact, he had "been brutally frank."<sup>69</sup>

John Peurifoy, who had earlier protested Service's recall to be investigated by the subcommittee, testified after Larsen. He had requested permission to do so because of McCarthy's accusation that he had attempted to influence Larsen's testimony about Service by offering the former State Department employee free legal advise. The Deputy Under-Secretary of State avowed that Senator McCarthy's allegation was absolutely false and explained that Larsen had requested an appointment with him to discuss an offer the Wisconsin Senator had made to him. During their meeting, the former State Department employee had asserted that McCarthy had called him to his office and indicated that if Larsen would testify against Service, he would not include him in the list

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<sup>67</sup>Ibid., 1122, 1162-3.

<sup>68</sup>Ibid., 1163.

<sup>69</sup>Ibid.

of names he was going to give the Senate.<sup>70</sup>

After considerable discussion of this incident, as well as other aspects of his knowledge of Larsen, Peurifoy was quizzed about his earlier comments on Service. The Deputy Under-Secretary of State explained that he had issued the statement because of the headlines: "Mr. Service is still a human being. I think that that statement was probably misinterpreted. Maybe I went too far, but I really meant it."<sup>71</sup> Peurifoy agreed that the officer should have been recalled, but he regretted the way "in which it was brought about . . . ."<sup>72</sup>

Morris immediately asked the Deputy Under-Secretary of State if he knew that Service had "transmitted secret military information . . . to a . . . Soviet agent . . . five years ago."<sup>73</sup> Peurifoy responded by pointing out that the Foreign Service Officer not only had been unanimously cleared by the grand jury but had been thoroughly investigated by the Department, and he assumed that all information, such as the above, had been evaluated.<sup>74</sup>

The next major topic discussed with the Deputy

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<sup>70</sup>Ibid., 1230.

<sup>71</sup>Ibid., 1246.

<sup>72</sup>Ibid.

<sup>73</sup>Ibid., 1207. Apparently the Assistant Counsel was referring to Jaffe as the secret agent.

<sup>74</sup>Ibid.

Under-Secretary of State concerned whether any of the loyalty files of State Department employees made available to the subcommittee had been "doctored, tampered with, altered, changed . . . ."75 Peurifoy avowed that he had specifically given orders that "nothing in the files be deleted and no file should be removed, should not be tampered with, notes should not be erased, and everything in our files should be made available to this committee."76 He further testified that when he had heard of the charge of tampering by McCarthy, he had ordered a thorough investigation which revealed that no such altering of the files had taken place.77

The Deputy Under-Secretary of State was then asked if he knew whether any Communists were employed by the State Department and what he would do if he discovered there were. Puerifoy declared that such an employee would be immediately fired.78 Discussion then followed as to what standards were used to determine whether a person was a Communist. Hickenlooper at this time interjected a lengthy statement in which he complained that the department Loyalty Boards had "held too rigidly to the 'proof beyond all reasonable doubt' theory," thus prejudicing the interest of the American

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75 Ibid., 1251.

77 Ibid.

76 Ibid., 1252.

78 Ibid., 1253.

public.<sup>79</sup>

Service, the last witness to appear before the subcommittee, testified for three days, June 22, 23, and 26. Prior to this time, the hearings had been in executive session, but the Foreign Service Officer requested the privilege of being heard publicly. Tydings granted the appeal, despite protest from Lodge because he was not consulted about the decision.<sup>80</sup>

Service began by thanking the subcommittee for the opportunity of appearing before it and expressing the desire to "cooperate to the greatest extent," as nothing was more important to him than his "good name and reputation for loyalty."<sup>81</sup> He also indicated his wish to introduce the entire transcript of his hearing before the State Department Loyalty Security Board which began prior to his appearance before the Senate Committee,<sup>82</sup> and he would frequently quote from it during his testimony.

The officer then began reading his prepared statement. First presenting a brief background of his service in China, he noted that he was assigned in 1943 to the staff of the Commanding General of the China-Burma-India theater. He

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<sup>79</sup>Ibid., 1254.

<sup>81</sup>Ibid., 1259-60.

<sup>80</sup>Ibid., 1257-8.

<sup>82</sup>Ibid., 1260.

remained in this status until his recall from China in April, 1945, "at the insistence, I am told, of the then Ambassador Patrick J. Hurley."<sup>83</sup> Emphasizing that he was responsible to the Commanding-General and not the Ambassador during this period, Service pointed out that he "never received any indication or intimation from either . . . [Stilwell or Wedemeyer] that my services or my political reports were anything but satisfactory. In fact, I was commended by both of them for my work."<sup>84</sup>

The officer also discussed his assignment to the Yen-an Observer Group in 1944 after noting that he had been criticized for his contacts with the Chinese Communists. He explained that the purpose of the group was to collect political intelligence about the Communists and that he was assigned to it only "after consultation with and approval of the Embassy and the Department of State . . . ."<sup>85</sup> During this period, "active cultivation" of the Chinese Communists was "a basic and vital part" of his assignment, "which was to learn all that I could, for the benefit of the American Government concerning the Chinese Communists."<sup>86</sup> Service then asserted that, as an intelligence officer, it was "a matter of pride rather than apology that I was able through

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<sup>83</sup>Ibid., 1261.

<sup>85</sup>Ibid., 1263.

<sup>84</sup>Ibid.

<sup>86</sup>Ibid.

these contacts . . . to obtain valuable first-hand information for which I have been commended by both the Department of State and the United States Army."<sup>87</sup>

The officer next talked of American policy in China, pointing out that the goal was a strong and independent China, friendly to the United States. Recognizing that the power struggle in that country was weakening the war effort and could have disastrous results for the future of China, American policy was directed "toward persuading the Kuomintang to strengthen its own position by reform and, when this persuasion proved of little effect, to promoting a peaceful compromise between the two parties . . . ." <sup>88</sup> Adding that he was "not the originator of this policy" since it had been determined by the President, Service indicated his belief that the policy had been the best one for American interests and the only practical choice . . . ." <sup>89</sup>

There was not total support, however, for this policy. Referring specifically to Stilwell's period of authority, the officer asserted that critics, aware that it was "not politic to attack directly an American four-star general," directed their criticism to his personal "advisers," such as Davies and himself. <sup>90</sup> Service then emphasized that

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<sup>87</sup> Ibid.

<sup>89</sup> Ibid.

<sup>88</sup> Ibid., 1264.

<sup>90</sup> Ibid.



he had never been "a policy-forming officer," but he had long been "persona non grata" to Chiang Kai-shek and many of his supporters.<sup>91</sup>

Turning to the topic of his reports, the officer admitted that he had expressed his views on policy matters but was convinced that these expressions "were entirely in consonance with American policy."<sup>92</sup> He vehemently denied Senator McCarthy's claim that in his China memoranda he had not only urged the torpedoing of Chiang Kai-shek but had declared that Communism was the best hope of China.<sup>93</sup> Service also held the belief that subsequent events in China substantiated the comments he had made in his reports. He told the subcommittee that all of the memoranda and reports he prepared during his last years in China would be available for critical analysis to "ascertain whether this reporting lacked objectivity or evidence political bias or a disposition to sabotage American foreign policy or any of the other things with which I have been charged."<sup>94</sup>

Another topic of discussion concerned Hurley's allegations against the Foreign Service Officers at the time

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<sup>91</sup>Ibid.

<sup>92</sup>Ibid., 1264-5.

<sup>93</sup>Ibid., 1278.

<sup>94</sup>Ibid., 1265. He also introduced George F. Kennan's analysis of these reports which had been presented to the State Department Loyalty Security Board.

of the former Ambassador's resignation and expressed his conviction that the Senate investigation of December, 1945, revealed that Hurley was unable to support his accusations. Discussing later statements in which the former Ambassador made even more exaggerated allegations against the Foreign Service Officers, Service avowed that the charges, "repeated in the face of all the evidence which refutes them, are as false today as they were when they were uttered in 1945 and when they were repeated by various persons . . . ."95

The Foreign Service Officer was referring specifically to the comments made about him by Senators Judd, Dondero, and McCarthy as well as former State Department employee Emanuel Larsen, and he declared that most of the allegations which had "been leveled against me stem directly or indirectly from these original charges made by General Hurley."96 These accusations had been "repeated over and over again, despite their refutation."97

Service also talked at length about the Amerasia case, noting that most of the investigation had been completed while he was in China. Pointing out that the raid of the magazine offices took place before he returned to the United States, he asserted that the search "demonstrated that whatever channels Mr. Jaffe had for obtaining official documents

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<sup>95</sup>Ibid., 1267.

<sup>96</sup>Ibid.

<sup>97</sup>Ibid.

were already in existence and functioning very well indeed."<sup>98</sup>  
 The officer also stressed that of the six persons ultimately arrested in the case, he knew at that time, only one. This was Roth, whom he had casually met the previous year.<sup>99</sup>

Furthermore, there was "nothing exceptional" about his meeting and becoming acquainted with the other persons involved in the Amerasia case. They were "all specialists in the Far East, either as magazine writers or as Government employees."<sup>100</sup> After his return to Washington, he had been placed temporarily on consultation, as was customary with officers coming from active field posts. The purpose of this was to make his knowledge "quickly available to officers of the Department of State and the numerous other Government agencies concerned with China."<sup>101</sup> Service explained that it

was also, and still is, the policy of the Department of State that reputable representatives of the press are to be supplied with sufficient background information about events abroad so that the American public may be intelligently informed. During this period, therefore, I discussed background information concerning China with a considerable number of writers and journalists.<sup>102</sup>

The officer avowed that he had "no knowledge" of how many of his reports came into Jaffe's possession, and that he had "no disposition to conceal my dealings with Jaffe. I have

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<sup>98</sup>Ibid., 1270.

<sup>99</sup>Ibid.

<sup>100</sup>Ibid.

<sup>101</sup>Ibid., 1271.

<sup>102</sup>Ibid.

nothing reprehensible or illegal to conceal."<sup>103</sup>

Service then began a systematic refutation of the rest of McCarthy's various allegations against him. Denouncing as false the Senator's accusation that some of the grand jurors voted to indict him, the officer declared that the jury voted unanimously a no true bill in his case.<sup>104</sup> As for McCarthy's assertion that F.B.I. Director J. Edgar Hoover had stated that there had been a 100 percent airtight espionage case against him, Service pointed out that "the assistant to the Attorney General has recently advised the Department of State that Mr. Hoover never made such a statement."<sup>105</sup>

The Wisconsin Senator's allegation that the Foreign Service Officer had been in contact with Jaffe from China was also negated. Service swore that he "was never in communication in any way, directly or indirectly, with Mr. Jaffe prior to the time that I met him in person on April 19, 1945."<sup>106</sup> Moreover, he had never heard that the F.B.I. had discovered such evidence.<sup>107</sup> In discussing this charge, the officer referred specifically to a report which McCarthy claimed he had mailed to the editor and avowed that he had never prepared or sent such a memorandum.

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<sup>103</sup>Ibid., 1276.

<sup>105</sup>Ibid., 1275.

<sup>107</sup>Ibid.

<sup>104</sup>Ibid., 1276.

<sup>106</sup>Ibid.

As he concluded his statement, Service again denied the Senator's accusation that he was a top policy maker and asserted that he had "never occupied a policy-making position in the Department of State."<sup>108</sup> Nor had he "been in charge of, or in a position to control, either placements or promotions of personnel in the Far East or in any other area,"<sup>109</sup> as the Senator had also charged.

When the officer finished reading his formal presentation, intensive questioning by the subcommittee began. Two of the key areas of interrogation concerned the Amerasia case and the contents of his official reports. Service was also asked about some of the accusations made against him by those who had testified earlier. Much of the questioning was done by Morgan and Morris, and the latter was quite antagonistic toward the officer.

The questions concerning the Amerasia case covered virtually every aspect. Asked if the reports he gave Jaffe were returned to him prior to his arrest, the Foreign Service Officer replied "yes."<sup>110</sup> Morgan also wanted further clarification that the documents Service gave the editor were copies of his own reports which he had retained in his possession, and the officer again confirmed that this was true. He was next asked if it were required that he secure permission

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<sup>108</sup>Ibid., 1278.

<sup>109</sup>Ibid.

<sup>110</sup>Ibid., 1283.

before supplying such documents. Service, who admitted that he "did not secure specific approval in this instance," reiterated that it was an "acknowledged custom to allow members of the press or writers or research people to see from time to time certain types of background information . . . ."111 The Chief Counsel inquired if the officer regarded his granting such information had been an indiscretion in the case of Jaffe. Service declared that he did "recognize it as an indiscretion. I have suffered for it for five years."112

Morgan then informed the Foreign Service Officer that the subcommittee had testimony regarding alleged Communist connections of Jaffe and Roth and perhaps others and asked Service if he had been conscious of this at the time of his association with these people. The officer responded that he was not. Immediately after meeting Jaffe, he had made some inquiry about the editor, but since he had "unfortunately" asked Roth, he had been assured that Jaffe was not a Communist.<sup>113</sup>

Referring to Ladd's brief mention of an F.B.I. recording of a conversation between Jaffe and Service on May 8, 1945, in which the officer said that his earlier

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111 Ibid., 1284.

112 Ibid.

113 Ibid., 1285.

comment about a military plan was secret, Morris asked Service, without informing him of the nature of the dialogue, if he remembered what he had discussed with the editor on that day. After the officer replied that he could not remember the specific conversation, he was quizzed several times if he ever discussed future military plans. He always pointed out that he "did not have possession of secret plans,"<sup>114</sup> but he had undoubtedly talked of the war as everyone was interested in it. Interrogated further if he ever admonished Jaffe that what he was telling him was to be held in secret. Service responded that it was quite possible. Since, in discussing "background information with the press, you often have to specify that certain things you mention either should not be attributed or should not be used at all."<sup>115</sup> Questioned at a later time if he ever transmitted secret military information to the editor, he answered that he had

never knowingly transmitted any information which was . . . secret military plans, but in discussions at that time . . . it was customary for military officers, and other officers . . . under certain circumstances, and for sound reasons, to mention and give writers, for their background guidance, information which certainly was contained in some classified documents.<sup>116</sup>

Considerable discussion of this topic ensued with the officer being asked repeatedly the same basic questions.

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<sup>114</sup>Ibid., 1287-8.

<sup>115</sup>Ibid., 1287.

<sup>116</sup>Ibid., 1346.

Service was also quizzed if he ever suspected that Jaffe was endeavoring to obtain official government documents or if there was anything strange about his request for information. The officer replied that the type of data in which the editor was interested "was not unusual." When Jaffe did ask for government documents, which was not until the end of May, Service had "flatly refused." Even at that time, the documents which Jaffe wanted were "very innocuous."<sup>117</sup>

Interrogation about other details of the Amerasia case continued for some time. Lodge asked several times why the Foreign Service Officer met the editor outside of his office, finally inquiring if Service would have been embarrassed to be seen in the State Department giving documents to Jaffe. The officer explained that it had been a matter of convenience only to meet the editor where he did, and that he would have been willing to give Jaffe the reports in his office.<sup>118</sup>

Hickenlooper wanted to know how Service gave himself the right to declassify material and then discuss it with people who supposedly were comparative strangers to him. The officer responded that his reports were not, "by any stretch of the imagination," policy papers. They were only

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<sup>117</sup>Ibid., 1299.

<sup>118</sup>Ibid., 1310.



"descriptive memoranda" of his own observations and not "official documents."<sup>119</sup> He then pointed out that if he had shown official documents to anyone, he "would certainly have had them first declassified or had approval, but these were not papers of that character at all."<sup>120</sup> Service had earlier explained that the reports he had shown Jaffe were under his own classification system.<sup>121</sup>

The second major topic about which the subcommittee questioned him concerned his reports. Referring to the officer's statement that subsequent events in China substantiated his memoranda, he was asked if what he reported might "have had a conditioning influence on what those results have been?" Service declared that China was "too large and the forces there too deep . . . for me to have directed it or caused what has happened."<sup>122</sup>

Morris later read portions from a number of the officer's reports and quizzed him extensively on certain comments he made in them. Two of the reports in which the Assistant Counsel was interested were those of September 10, 1944, and September 28, 1944.<sup>123</sup> In both of these, Service used the term democratic to describe the policies of the

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<sup>119</sup>Ibid., 1321.

<sup>120</sup>Ibid.

<sup>121</sup>Ibid., 1300-2.

<sup>122</sup>Ibid., 1280.

<sup>123</sup>For a more complete discussion of these reports see Chapter V, 105-6.

Chinese Communists. In the September 10 report, he stated that the Communist's "widespread popular support must, under the circumstances in which it has occurred, be considered a practical indication that the policies and methods of the Chinese Communists have a democratic character."<sup>124</sup> The statement cited by Morris from Service's report of September 28 asserted that the Communists "are carrying out democratic policies which they expect the United States to approve and sympathetically support."<sup>125</sup>

The Assistant Counsel wanted the Foreign Service Officer to explain his use of the word democracy or democratic. Protesting Morris' use of excerpts only, Service emphasized that the term democracy should be interpreted in light of the entire document. Explaining that his use of the word was comparative--referring to conditions in Kuomintang areas and not the United States, he was of the opinion that if anyone read all of his reports they would understand this. Referring specifically to his September 10, 1944, memorandum, he pointed out that a complete reading of the document would indicate that he was describing "a very limited idea of democracy."<sup>126</sup> The officer further pointed out that this report had been given a rating of excellent by the State Department as an analytical study of how the Chinese

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<sup>124</sup>Ibid., 1328.

<sup>125</sup>Ibid., 1327.

<sup>126</sup>Ibid., 1330.

Communists developed their support.<sup>127</sup>

Morris also questioned Service about his comments, as in the September 28, 1944, memorandum, that "any orientation which the Chinese Communists may once have had toward the Russian Communists seems to be a thing of the past."<sup>128</sup> The officer explained that he was describing Mao's attempt to adapt Communism to the conditions of China and to make it as independent as possible. It was Service's belief that Chinese Communism was different from Russian Communism at that time and that the Soviet Union did not have "very direct control over it . . . ,"<sup>129</sup> and he cited Kennan's testimony before the State Department Loyalty Security Board as proof of this. Despite this substantiating evidence, he continued to be questioned about his reports, especially by Morris.

In addition to the above two areas of major concern, the subcommittee wanted more information about a number of other topics. For example, it was interested in learning about the various security checks which had been made upon Service. Asked how many loyalty boards he had appeared before, the officer answered that he had personally testified only once before a loyalty board--the current State Department Loyalty Security Board hearing. He further acknowledged that in 1945, after being cleared by the grand jury which heard

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<sup>127</sup>Ibid.

<sup>128</sup>Ibid., 1327.

<sup>129</sup>Ibid., 1333.

the Amerasia case, he had also appeared before the Personnel Board of the State Department.

In response to questions about the current hearing, Service reported that the State Department Loyalty Security Board "went in the fullest and most complete way into my whole career, my whole record, and into the China period, into my work in China during particularly the years 1943-45. They went in great detail into what might be called the Hurley charges and finally into the Amerasia phase and into my work since that time."<sup>130</sup>

Lodge asked the officer several times why his loyalty had not been questioned until 1950. Service explained that his record had been considered periodically from year to year, but the evidence was such that the loyalty boards gave him clearance without requiring a personal appearance.<sup>131</sup>

Another phase of the interrogation concerned a letter sent to the officer on April 2, 1945, by another Foreign Service Officer, who asked Service to send him some of his reports if he "could find a safe way . . . ."<sup>132</sup> Morris asked several times if this letter was referring to an effort

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<sup>130</sup>Ibid., 1318.

<sup>131</sup>Ibid., 1320. It was also brought out on the last day of Service's testimony, that there were six F.B.I. reports on him--dated December 28, 1948, February 10, 1949, March 10, 1949, April 4, 1949, September 7, 1949, and September 21, 1949. Ibid.

<sup>132</sup>Ibid., 1340.

to circumvent censorship laws. The officer replied: "Of course not," and explained that since the author of the letter was attached to Navy headquarters in the Pacific any communication with him from Service would have had to go through both Army and Navy channels, thereby easily becoming bogged down.<sup>133</sup> The Assistant Counsel continued to ask questions about this letter despite debate among the committee members as to the legal right of keeping the personal papers of the Foreign Service Officer.<sup>134</sup> Morris quizzed Service several times if he had ever violated the censorship regulations or if Hurley had ever reprimanded him for doing it. The officer repeatedly answered "no" to both questions.<sup>135</sup>

The subcommittee was also very interested in any ties Service might have with Communism or Communists. One aspect of this concerned the officer's contacts with the Chinese Communists, and he was asked if he ever supplied Mao Tse-tung with dispatches or official government reports. The officer immediately retorted that he had not, adding that any statement to that effect was false.<sup>136</sup>

Service was next asked if he had ever been a member of the Communist party. When the officer avowed that he had not, Morris told him that "guilt by association is an inherent

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<sup>133</sup>Ibid., 1340-1.

<sup>135</sup>Ibid., 1345.

<sup>134</sup>Ibid., 1342-4.

<sup>136</sup>Ibid., 1317.

and well-established concept of our law today."<sup>137</sup> The Assistant Counsel then proceeded to ask Service about several names in his address book. One was Clinton Stein, who Morris said had been named by General MacArthur as a Soviet espionage agent.<sup>138</sup> The officer explained that Stein had represented the Christian Science Monitor in China during the war, and that he had seen him once, in 1945, since his return from China.<sup>139</sup> Still dissatisfied, the Assistant Counsel insisted that he had more names to check with Service, but he wished to proceed in executive session.

Debate followed as to whether the hearing the following day should be an executive or public session. The Foreign Service Officer wished to keep it public, and Green supported him in this position. Lodge felt, however, that only an executive session would permit the subcommittee to pursue the "thoroughgoing investigation" which was desired. It was decided, consequently, that the hearing would proceed the following day in executive session. The subcommittee thereupon recessed.<sup>140</sup>

When the investigating committee reconvened the next afternoon, however, it was again in open session, resulting in much protest from Lodge. One of Service's attorneys had

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<sup>137</sup>Ibid., 1347.

<sup>139</sup>Ibid.

<sup>138</sup>Ibid., 1348.

<sup>140</sup>Ibid., 1348-9.

renewed the officer's request that morning that the session be an open one because of newspaper reports that evidence was being suppressed that should be brought out into the open, and Tydings had acceded to the plea. After being reassured that there would be a later executive meeting, the Senator from Massachusetts agreed to the decision.

Service's attorneys also requested that the record of the Service-Jaffe conversation, which had been alluded to by Morris the day before, be made available to them.<sup>141</sup> Tydings felt that this appeal was a proper one, and indicated that he had already asked the Department of Justice for the text of the entire conversation. As yet, though, the Department had refused the request.<sup>142</sup> It was arranged, however, for the complete texts of the officer's letters and reports, from which the Assistant Counsel had read excerpts, to be entered in the record.

At this time, one of Service's attorneys pointed out that some 125 of the officer's reports had been the subject of a detailed study "by as objective an expert as the State Department loyalty security board could find."<sup>143</sup> Morris, apparently as displeased and antagonistic as he had been the previous day, implied that the above mentioned study, which

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<sup>141</sup>They had deduced from press comments that a recording of this conversation existed. Ibid., 1352-3.

<sup>142</sup>Ibid., 1353-55.

<sup>143</sup>Ibid., 1369.

had been made by George F. Kennan, might not be impartial since Kennan was also in the State Department and one of his assistants was Davies, "a good friend of Mr. Service."<sup>144</sup> "In the interest of impartiality," he wanted, therefore, an outside source to make an evaluation of the officer's reports.<sup>145</sup>

The Assistant Counsel then turned again to Service's use of the term democratic in describing the Chinese Communists. Morris asserted that it was "very unusual that a United States Foreign Service official should be referring to the Communists as democrats."<sup>146</sup> Tydings finally interrupted the Assistant Counsel, pointing out that the topic had already been discussed. Service also tried to defend himself. He avowed that he had never said that the Chinese Communists "were democrats," but he had "said that their policies were in some ways democratic."<sup>147</sup> He further pointed out that he had "consistently referred to them [the Chinese Communists] as Communists," and had never called them "so-called Communists" or "agrarian reformers."<sup>148</sup> The officer then explained that he had not been "writing his reports for an uninformed American public or for publication,"

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<sup>144</sup>Ibid.

<sup>146</sup>Ibid., 1371.

<sup>148</sup>Ibid.

<sup>145</sup>Ibid.

<sup>147</sup>Ibid., 1372.



but for "specialists dealing with Chinese affairs and familiar with the Chinese background."<sup>149</sup> Service's explanations were of no avail, and Morris continued to question the officer regarding the terminology used by him in his reports.

When he finally concluded this phase of his interrogation, the Assistant Counsel again began to query the officer about his relationship with numerous people, the names drawn from Service's address book, other documents, and certain known incidents. All of the individuals about whom the officer was questioned, such as Edgar Snow and Haldore Hanson, journalists; Sol Adler, Treasury Attache; and Owen Lattimore, had been accused of being Communist or pro-Communist in sympathies. Service testified that his relationship with each one was of casual acquaintance only. Despite the officer's efforts to account for his association with every person named by Morris and Senator Green's protest about this line of questioning, the Assistant Counsel persisted. He sarcastically asserted his belief that

in the interests of objectivity and . . . further guides in connection with loyalty examinations that we [the subcommittee] should look into this phenomenon of a man whose career is in the Government, to be able to distinguish and deal with people where a knowledge of the various nuances in political associations--yet, at the same time, here he can be associated with these people over a long period of time and not have any recognition of the underlying facts that these people . . . were not Communists or associated with Communists.<sup>150</sup>

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<sup>149</sup>Ibid.

<sup>150</sup>Ibid., 1384.

Service retorted that the "charges against many of these people were made years later, and the charges, so far as I know . . . against a great many of them, most of them, have not been proved."<sup>151</sup> He also declared that if the inquiry were to be complete, there should be a full investigation of whom his associates were. The officer then cited some of the people who had testified on his behalf, such as Ambassador Clarence Gauss and Colonel Joseph Dickey of the Army.<sup>152</sup> This period of questioning became quite antagonistic as Morris continued to press his accusations, despite Service's attempts to defend some of the people who had been accused of being Communist by providing opposing evidence.<sup>153</sup> When the Assistant Counsel declared that he found it "incomprehensible" that the Foreign Service Officer "should have no inkling in every case that any one of these people was a Communist or Soviet espionage agent."<sup>154</sup> Service stated that he had no further comments to make on the topic.

The last major item of discussion before this session ended was also introduced by Morris. He inquired of Service if he had ever been punished by Hurley for violation of orders while he was in China. The officer replied: "Certainly not," and noted that he could not have been

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<sup>151</sup>Ibid.

<sup>153</sup>Ibid.

<sup>152</sup>Ibid., 1385.

<sup>154</sup>Ibid., 1386.

reprimanded by the former Ambassador since he was not under his jurisdiction.<sup>155</sup> The Assistant Counsel then asked Service several times if he had ever disobeyed an order of Hurley's that he should not be allowed to go to Yen-an during a certain period. The Foreign Service Officer avowed each time that he had never been told not to go to Yen-an; in fact, he went there under orders.<sup>156</sup> Morris also wanted to know if Service would testify that he had not been sent home from China as a result of violating such an order. The officer declared that he had been told that he was returned to the United States because of the former Ambassador's request but he had never been informed of the reasons.<sup>157</sup>

The Assistant Counsel then inquired of the subcommittee if he could continue this same line of questioning in executive session at their next meeting. Service agreed to this request, and the hearing adjourned for the day.

On June 26, the subcommittee reconvened in executive session. Morgan began the questioning of the Foreign Service Officer by inquiring if he had any further recollection of his conversation of May 8, 1945, with Jaffe. After Service replied "no," the Chief Counsel finally explained that the subcommittee had a transcript of an F.B.I. recording of this

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<sup>155</sup>Ibid., 1387.

<sup>156</sup>Ibid.

<sup>157</sup>Ibid., 1387.

conversation,<sup>158</sup> and asked Service for permission to read it into the record. One of the officer's attorneys immediately requested the right to hear the actual recording rather than the transcript of it. This set off a major debate between Lodge and the attorney.

The Senator from Massachusetts was affronted by the request, believing that it questioned the integrity of the F.B.I. Service's attorney denied this and attempted to explain that since part of the transcription made little sense, he had thought the actual recording might be more helpful.<sup>159</sup> Lodge was also indignant because of Tydings' apparent willingness to accede, if possible, to the attorney's appeal. The Massachusetts Senator believed that the subcommittee had "the duty, and right" to introduce the transcript of the conversation and examine it whether Service's attorney "likes it or not."<sup>160</sup>

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<sup>158</sup>That morning the Department of Justice made available an exact transcript of the conversation to the Senators because there had already been leakage of the one sentence earlier referred to, and it had received wide publicity. See letter from Peyton Ford, Deputy Attorney General to Tydings, June 26, 1950, State Department, I, 1391. The problem of leakage of information was apparently a continuing one, as Tydings had stressed earlier, and did again that day, that there was to be no divulgence of material discussed in the executive session. Ibid., 1392.

<sup>159</sup>Ibid., 1394-403.

<sup>160</sup>Ibid., 1397. He reiterated this opinion several times.

When Lodge became more irritated as the discussion continued, Service's attorney asserted that neither he nor the Foreign Service Officer would withhold "consent to the use of this paper for 1 minute. If the committee thinks that this paper is of value to its inquiry, we will not interpose any objection. We do suggest, as I have attempted very tactfully to point out, that the conversation as recorded here seems essentially unintelligible."<sup>161</sup>

The transcript of the conversation was thereupon read, and the questioning of Service upon his comments renewed. The officer continued to avow, even after hearing the transcript, that he had "no specific recollection of the conversation or of making those statements."<sup>162</sup> After Morgan's initial queries, Lodge asked Service over and over if he ever revealed any military plans or if he ever had knowledge of military plans. Questioned further, the officer recalled that the staff officers in Chungking had consulted him concerning recommendations for a memorandum on the policy that should be taken if American troops landed on the China coast. He had also written several reports on the same subject. It was possible, therefore, that he had mentioned his thinking on this topic to Jaffe, but such information

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<sup>161</sup>Ibid., 1403.

<sup>162</sup>Ibid., 1405.

was not a military plan.<sup>163</sup> As Service became more certain that these policy recommendations must have been the "plan" he referred to in his conversation with the editor, he admitted that his use of the word "plan" to describe the policy was "an extremely loose one, and in its context a very unfortunate one" since it was not a "specific plan" but simply a "memo suggesting policy under such and such circumstances."<sup>164</sup> Service repeatedly denied, as the interrogation continued, that he had ever possessed secret military knowledge or had transmitted such information to Jaffe.<sup>165</sup>

Tydings finally interrupted to ask the officer if it were customary when he discussed background information with people that he would comment that some items were confidential or secret. Service replied, as he had responded earlier to a similar question, that it "was quite common . . . ."<sup>166</sup> The Chairman then wanted to know if the officer had given Jaffe any special consideration or had treated him in the same way as other writers. Service answered that he had dealt with Jaffe as he would have anyone in a similar position--that of an editor of a specialist magazine on the Far East.<sup>167</sup> Tydings also asked the officer if he had known

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<sup>163</sup>Ibid., 1407.

<sup>164</sup>Ibid., 1417.

<sup>165</sup>Ibid., 1407-10.

<sup>166</sup>Ibid., 1411.

<sup>167</sup>Ibid., 1412.

what Jaffe's standing with the State Department was as to whether he was reliable or not. Service explained that he had never received any information about this, but he had known that the editor was acquainted with people in the State Department as well as other government departments.<sup>168</sup>

Later in the day, Morris pressured the officer to determine if he had ever been "advised before . . . [he] appeared before the grand jury that everything would be all right."<sup>169</sup> Service answered "no" each time he was asked this question.<sup>170</sup> The Assistant Counsel then wanted to know more details about those who had assisted in raising money for the officer's defense fund and the people with whom Service talked about the case.

Morris also quizzed the officer extensively about his reports. He first wanted to know why copies of his memoranda were usually sent to John Davies. Service explained that Davies was the senior member of the group attached to the Commanding General's staff, and it was the "established policy, with the approval of Army Headquarters, to send him a copy of any of these memoranda which we wrote."<sup>171</sup>

The Assistant Counsel next asked the Foreign Service Officer if he felt that Davies' "analysis of the Chinese

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<sup>168</sup>Ibid.

<sup>170</sup>Ibid., 1429-30.

<sup>169</sup>Ibid., 1429.

<sup>171</sup>Ibid., 1430.

political situation coincided with yours."<sup>172</sup> After Service replied that he thought it did, Morris again pointed out that Davies was working for George Kennan--"the one who analyzed the reports of Mr. Service."<sup>173</sup>

McMahon interrupted to ask the Assistant Counsel if he were accusing Davies of being disloyal. Morris replied that the records "seized in the Amerasia case showed that there were several Foreign Service Officers and State Department officers in the field whose reports all seemed to coincide, and whose reports differently reflected pro-Communist learnings."<sup>174</sup> There had also been testimony to this effect, and he felt that it might be pertinent to introduce one of Davies' reports into the record. Asked again if this were to be used as evidence against the officer, the Assistant Counsel answered: "Well, I guess you could say that."<sup>175</sup>

At that point, Tydings asserted that statements by a person were not necessarily indicative of disloyalty, such as "an honest expression of opinion as to what he thinks the

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<sup>172</sup>Ibid., 1432.

<sup>173</sup>Ibid., 1433. The officer later read a section from his hearing before the State Department Loyalty Security Board in which Kennan testified that he had never met Service. Ibid., 1438.

<sup>174</sup>Ibid., 1433-4.

<sup>175</sup>Ibid., 1434.



policy should be, particularly when a war is going on . . .  
 . . ."176 Morris continued to stress, however, that in this investigation there were several methods of proof that a person "has been disloyal"--direct association, such as being a member of the Communist party, a man's writings, and a man's associations.<sup>177</sup> McMahon then cited some of Hurley's statements about the Chinese Communists and asserted that he would not use these comments for the purpose of showing that the former Ambassador was inclined to be a Communist.<sup>178</sup>

Despite these remarks, the Assistant Counsel inserted Davies' reports of November 7, 1944, entitled "How Red are the Chinese Communists" and "Will the Communists Take Over China," which had been among the Amerasia papers, in the record.<sup>179</sup> When Service was asked to comment upon them, he pointed out that when he had said that Davies and his reports were similar, he had been thinking "of our general philosophy of the whole situation, and the best means of dealing with it."<sup>180</sup>

The discussion turned to Russia's relationship with

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<sup>176</sup>Ibid.

<sup>177</sup>Ibid.

<sup>178</sup>Ibid., 1435.

<sup>179</sup>For discussion of these reports see Chapter IV, 77-8.

<sup>180</sup>Ibid., 1437.

China, and McMahon inquired if the officer knew what Hurley's position was on the subject. Answering that the former Ambassador had stressed that Russia was not supporting the Chinese Communists but the Kuomintang, Service declared that he did not agree with the concept that the Soviet Union wanted harmonious relations with the Nationalist government. He cited his report of February 7, 1945, as illustrative of his opinion.<sup>181</sup>

Pointing out that questions had been raised concerning Davies and his views about the Chinese Communists, the officer referred to Hurley's press conference of April 2, 1945. During this conference, the former Ambassador stated "that the Communist Party of China supports the principles of Dr. Sun Yat-sen" and stands for "exactly the same principles as those promulgated by the National Government of China."<sup>182</sup> Service added that he could provide other similar quotations of Hurley's views. McMahon then indicated his wish for documentation of the former Ambassador's views and philosophy.<sup>183</sup>

Morris asserted that the subcommittee should also have Hurley's testimony. To this comment, Tydings declared

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<sup>181</sup>Ibid., 1441.

<sup>182</sup>Ibid., 1442. For a more complete discussion of this press conference see Chapter V, 151-3.

<sup>183</sup>Ibid., 1442-3.

that the former Ambassador did not wish to testify, and had told him that "he has nothing to contribute to the testimony that he has contributed before the Foreign Relations Committee . . . . I urged General Hurley to come and testify, but he does not want to come because he says he cannot bring out anything that we do not already know."<sup>184</sup>

Several times during this session, the Assistant Counsel introduced again the topic of Service's friends and associates. Morris asserted during one of these question periods that "some of these people [the officer's associates] have been identified before Congressional committees as Soviet agents."<sup>185</sup> Tydings interjected: "That is not necessarily so. Some of them have been designated as Soviet agents, but that does not make them so."<sup>186</sup> The Assistant Counsel continued, though, to quiz the Foreign Service Officer on this topic, asking him about many more names. Finally Morgan asked Service: "Have you ever knowingly associated with members of the Communist Party apart from the association in your official capacity with the Chinese Communists?"<sup>187</sup> The officer replied that he had "never knowingly associated

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<sup>184</sup>Ibid., 1443. This statement seems a little strong in light of Hurley's attempts to persuade the Chairman that he should testify.

<sup>185</sup>Ibid., 1444.

<sup>186</sup>Ibid.

<sup>187</sup>Ibid., 1450.

with any Communists other than Chinese Communists and Russian diplomatic officials in connection with my official work."<sup>188</sup>

The Chief Counsel then asked Service if he would like to include in the record his attitude and philosophy with respect to Communism. The officer concluded his brief statement by explaining that his philosophy, politically, was "expressed in democracy which is based on the rights of the individual, and the dignity of man. It is the exact anti-thesis of communism, which subordinates a man to the state which denies human rights, and which tries to fit it into a mold . . . ."<sup>189</sup>

When Service finished speaking, Morgan inquired whether the officer "ever knowingly at any time submitted, as an officer of the Foreign Service of the State Department on your detached duty, reports other than those which were, insofar as you were concerned, your honest conviction of the true facts?"<sup>190</sup> Service replied that he had "never submitted any report at any time which was not my conception of the truth, of the true facts at the time."<sup>191</sup>

The Chief Counsel next asked the officer if he ever at any time sought "to undermine the policy of this Government,

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<sup>188</sup>Ibid.

<sup>190</sup>Ibid., 1450-1.

<sup>189</sup>Ibid.

<sup>191</sup>Ibid., 1451.

as you knew it and understood it."<sup>192</sup> Service avowed that he "never sought to undermine the policy of this Government as I understood it. In fact, I think I can conscientiously say that I always sought to further the achievement of this Government's policy."<sup>193</sup>

After Service's attorney submitted for the record a letter, on behalf of the officer, which concluded with the author asserting that he was "firmly convinced that Mr. Service's professional career negates everything communism stands for,"<sup>194</sup> the investigative portion of the hearings ended. The subcommittee continued meeting, however, in executive session.

At that time, Green and Lodge, who had both been out of the country on government business, asked a number of questions about information the investigation had revealed in their absence. The Senator from Massachusetts was particularly concerned whether the subcommittee felt it had received adequate information about the disposition of the Amerasia case, such as why some of the charges were minimized

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<sup>192</sup>Ibid.

<sup>193</sup>Ibid. Lodge interrupted then to request the officer to define an American Communist, and Service replied that an "American Communist is certainly committed to the recognition of the overpowering interests of the Soviet Union." Ibid.

<sup>194</sup>Letter from a Chinese, Dr. H. C. Mei, April 18, 1950, Ibid., 1453.

or dropped. Morgan replied that he felt the subcommittee had received answers to most of the questions posed.<sup>195</sup>

Lodge was also anxious to have determined the importance of the documents which were involved in the case. It was his opinion that the statement from the Department of Justice that the manuscripts were innocuous was "astounding."<sup>196</sup> Debate on this continued as the Chief Counsel tried to explain that the Department's position was based upon whether the documents were related to national defense.<sup>197</sup> The Senator remained dissatisfied and continued to argue about the handling of the case. The subcommittee finally adjourned late in the afternoon.

The members reconvened in executive session on the afternoon of June 28. One of the major topics of discussion was the credibility of Budenz as a witness, which had also been briefly mentioned at the last session. The subcommittee had earlier requested an estimate of the former Communist's integrity by the Department of Justice. The Department had replied that it could not be of assistance in this matter and that those hearing a person testify would have to determine the credibility of the individual.<sup>198</sup>

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<sup>195</sup>Ibid., 1455-9.

<sup>196</sup>Ibid., 1463.

<sup>197</sup>Ibid., 1463-5.

<sup>198</sup>Letter, Peyton Ford, Assistant to the Attorney General, to Tydings, May 16, 1950, Ibid., 1473.

Both Lodge and Hickenlooper were irritated by this reply, and the Senator from Iowa asserted that it was "remarkable" that the Department would put a person on the witness stand and then refuse to pass upon his honesty. The exasperation of the two Senators continued even after Tydings pointed out that it was a "time-honored custom of the Department of Justice not to pass on the credibility of any person who gives information."<sup>199</sup>

The subcommittee was also informed during this meeting that Peurifoy had called to explain that any press stories that the State Department Loyalty Security Board has cleared Service were inaccurate. The Board had rendered no decision and did not intend to until it had the opportunity to review the entire record of the Senate hearings.<sup>200</sup>

At this time Hickenlooper interjected that he wanted to ask more questions of Service on the basis of new information he had just received about the officer's associates. When Tydings inquired if such questioning would be pertinent to the subcommittee's investigation of Service's loyalty, the Senator replied "yes."<sup>201</sup> The Chairman then commented that Hickenlooper's information might just be rumors and expressed concern that the subcommittee could be running these down for years.

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<sup>199</sup>Ibid., 1473.

<sup>200</sup>Ibid., III, 2511.

<sup>201</sup>Ibid., 2512.

Lodge interjected the opinion that the Senators could be investigating legitimate questions for years because of the wording of the resolution. Tydings added that under the resolution, the subcommittee was ordered to inquire into the loyalty of past and present employees of the State Department. Under those instructions, the Senators had to look into the loyalty of Service and Larsen, who were both involved in the Amerasia case. He thought that he "was very liberal" in investigating the entire case. He also noted that he had obtained the loyalty files of the eighty-one persons named by McCarthy as Communists. It was his hope that the subcommittee could soon conclude the hearing and begin to work on its report, even though the members would probably not agree on every aspect. The Chairman felt that the Senators had "done a good job" and had "worked hard."<sup>202</sup>

Lodge agreed that the subcommittee had put a tremendous amount of time into the investigation and that the topics that came under the purview of the resolution were numerous. He then proceeded to list a number of questions which he felt still needed to be answered.<sup>203</sup> The Senator from Massachusetts wanted a trained bipartisan commission of experts to continue the investigation, "under the seal of

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<sup>202</sup>Ibid., 2513.

<sup>203</sup>Ibid., 2513-7. A number of his questions concerned Lattimore.



secrecy, with a definite requirement that no report be made until well after the election, taking this whole thing out of politics . . . ."204

Although stating his sympathy with many of the ideas expressed by Lodge, Tydings again expressed his belief that the subcommittee had done "a pretty good job" and indicated his wish to bring the investigation to an end. The subcommittee should take the evidence it had at present and "make any conclusions we the subcommittee members want from it, either in agreement or three different versions or . . . any way we want to do it," and incorporate in the general findings "some provisions and recommendations for a further pursuit of security under whatever mechanics we decide . . . ."205

As the discussion continued at some length on the topic of whether the subcommittee should begin to prepare a report, the two other Democratic members agreed with the Chairman that there should be a draft prepared of the work the Senators had accomplished to date, and Green proposed a recommendation to that effect.<sup>206</sup> Lodge and Hickenlooper disagreed. The Senator from Iowa felt that it would be futile to draft a report since the subcommittee had not "even scratched the surface."<sup>207</sup> Lodge was certain that he

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<sup>204</sup>Ibid., 2517.

<sup>205</sup>Ibid., 2518.

<sup>206</sup>Ibid., 2520-1.

<sup>207</sup>Ibid., 2519, 2521.

would not be able to sign the report because of his "basic assumptions about the whole situation . . . ,"<sup>208</sup> and he again stressed that the investigation could not be concluded until a trained bipartisan commission made an independent inquiry.<sup>209</sup>

When the first vote upon Green's recommendation was greeted with opposition from Lodge and Hickenlooper, several suggestions resulted in an effort to make the proposal more amenable to the Republican members. Tydings finally suggested that the subcommittee's counsel members

prepare a tentative report to submit to the members of this committee, that each man prepare, if he wishes, such report as he wants and such recommendations as he wants, and that we pool those here and see if we can reach collectively or individually a basis for bringing our present hearings to a close and passing it on with recommendations for further action.<sup>210</sup>

After brief discussion, a second vote was taken. The lines remained as they had been before--Green and McMahon for and Lodge and Hickenlooper against. Tydings proceeded, nevertheless, to give orders to Morgan to prepare the report. The investigation had ended, but not the controversy.

The hearings had provided Hurley with a unique opportunity to express, in even stronger terms, his original

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<sup>208</sup>Ibid., 2521.

<sup>209</sup>Ibid., 2521-3.

<sup>210</sup>Ibid., 2523.

charges as well as some new ones. The former Ambassador was requested by newsmen, on June 19, to comment on the testimony of Emmanuel J. Larsen during the investigation. He began his statement by pointing out that the facts in the Amerasia case had not been given to the American people "for the simple reason that the government has never wanted the people to know the truth"--that certain "officials and employees of the State Department did steal and give or sell State Department TOP SECRET documents to the Amerasia (sic) Communist front, anti-American group."<sup>211</sup>

The former Ambassador continued by declaring that Larsen's testimony "that a group in the State Department often met to discuss plans of how to 'sabotage Hurley' is correct. But sabotaging me was only a secondary objective of that group."<sup>212</sup> Its purpose "was primarily to sabotage the American system of government and the American policy in China. The group is anti-American and pro-Communist."<sup>213</sup>

United States policy in China as well as his directives were also discussed by Hurley, and he stated that he knew that State Department officials, both in China and Washington

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<sup>211</sup>Hurley Press Release, June 19, 1950, Hurley Papers.

<sup>212</sup>Ibid.

<sup>213</sup>Ibid.

did sabotage the American policy in China. John Stewart Service and several associates both in and out of the foreign service in China did supply Mao Tse-tung and other leaders of the Communist Armed Party in China with secret American State Department documents and did advise with them on ways and means for defeating the American policy in China.

One of the documents that was given by Mr. Service to the Communists was a report written by himself and dated 10 October 1944. 214

Although Service "well knew the policy," this report if it had been effected, "would have caused the collapse of the National Government of the Republic of China which I was directed to uphold . . . ."215 The former Ambassador further avowed that there were two other documents that of his "own personal knowledge were passed to the Communists by someone in the American foreign service."216

Activities such as these by Service, though, were "whitewashed." Secretary of State Byrnes even gave him a letter of commendation and said that although the officer's report was "intemperate" and not in keeping with the American policy, Foreign Service Officers should be encouraged to criticize the American policy to their superiors and should not be punished for expressing their honest convictions. Stating his complete agreement with the latter point of view, Hurley asserted that

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214 Ibid.

216 Ibid.

215 Ibid.

Service's report would never have been criticized if it had been kept confidential and had been submitted only to his associates and his superiors in the service. The offense was that I first as an Army Officer and personal representative of the President of the United States and afterwards as Ambassador to China was not given the Service report and did not know of its existence until I came upon the information through Communist leaders in China.<sup>217</sup>

In addition to this, the officer and "his associates both in and out of the State Department in China opposed the American policy openly and assisted the Chinese Communists (sic) Armed party in their plans for the Communist conquest of China."<sup>218</sup>

Turning next to the Yalta agreement, the former Ambassador declared that "Officials in the State Department at Washington, and American Chinese Embassy officials in China were instrumental in writing the Yalta secret agreement by which the American policy in China was destroyed . . ." and that the "secret agreement at Yalta was given by someone known to me to the leaders of the Chinese Communist Armed Party."<sup>219</sup> In fact, he had "first heard of the secret agreement through them."<sup>220</sup>

When he had learned of the Yalta provisions, Hurley had immediately asked to return to Washington for a conference with the President and the Secretary of State. While

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<sup>217</sup>Ibid.

<sup>219</sup>Ibid.

<sup>218</sup>Ibid.

<sup>220</sup>Ibid.

in the United States, "John Stewart Service, who had been relieved by General Wedemeyer as his diplomatic adviser, had a military plane carry him to Yenan . . . ."221 The former Ambassador had brought this matter to the attention of the President, who authorized him "to have the State Department send a cable relieving Service in China and return him to Washington." Hurley then concluded the interview by stating that "within a few days of Service's return to Washington, the record shows he contacted the Amerasia (sic) group . . . ."222

In another interview on June 24, the former Ambassador again discussed the Senate investigation. He described his conversations with Tydings, explaining that he had told the Chairman of his testimony "nearly five years ago regarding the defeat of the American policy in China by career diplomats and others."223 At that time he had requested sixteen documents to be made available to the public, and they were not furnished. He had requested these same documents before he would testify at this investigation. He had also asked that he be

supplied with the decoded documents from the State Department on which were based the distortions published in the Amerasia Magazine, the Daily Worker, the Chicago Sun (sic) and used by the Communist

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221 Ibid.

222 Ibid.

223 Ibid.

Congressman DeLacy on the floor of the House and by many other pro-Communist writers and authors. It is clear that this smear attack was based directly on documents to which the pro-Communists had access in the State Department . . . .224

Although he had told the Senator that unless he received these documents he would not testify, Tydings had replied that they could not be furnished.

Hurley then asserted that five years ago he had said that

John S. Service and other State Department career officers and certain writers and authors had passed TOP SECRET documents and other TOP SECRET information to leaders of the Chinese Communist Armed Party to assist the Communists in their efforts to overthrow our ally . . . . This secret support of Communism both in China and in the State Department at Washington was responsible for the secret agreement made at Yalta which destroyed the territorial integrity of China, reinstated Imperialism and constituted a blueprint for the Communist conquest of China. That document was signed in secret at Yalta . . . .225

After these comments the former Ambassador turned to the Amerasia case. Although the State Department had been "shielding the people who took or stole secret documents from the State Department and gave or sold them to the pro-Communist Amerasia (sic) organization and to others," it would "take a greater and smoother advocate than Secretary Acheson . . . to make the American people believe the absurd fiction that no-one is guilty of having stolen or taken

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<sup>224</sup>Ibid. This was a greatly expanded version of what he actually told Tydings.

<sup>225</sup>Ibid.

secret State Department documents . . . ."226 Voicing criticism of the present hearings, he stated that the

Investigating Committee of the Senate allowed John S. Service to read a 27 page travesty prepared in the State Department in which he gave himself a powerful recommendation, but when the F.B.I. offered to show that Mr. Service had not stated the facts correctly, the Chairman immediately ordered a secret session saying that he did not want the F.B.I. facts stated in piecemeal.--Looks like another whitewash is coming up.227

Hurley concluded his interview by reiterating most of his same criticisms of the State Department and its role in the Communist conquest of China. The career diplomats had finally succeeded in their program, but the American public still did not know the truth.228 These two public statements, which provide excellent evidence that the former Ambassador's theory of conspiracy was further warping his interpretation of the events surrounding his mission to China, would not be the last comments heard from Hurley about the State Department Employee Loyalty investigation.

In mid-July the Congressional inquiry reached a new level of controversy. By that time, the Democratic members of the subcommittee, Tydings, Green, and McMahon, had prepared a report reflecting the majority viewpoint and Lodge had completed a statement of his individual views. Both were illustrative of the partisanship which had characterized

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226 Ibid.

227 Ibid.

228 Ibid.



the entire hearings.

The majority report stated that McCarthy was responsible for the inquiry and stressed that his allegations were not only inconsistent but failed to present the true facts.<sup>229</sup> The Democrats also criticized the Republican members of the subcommittee. Despite "the clamor and demand that was raised by Senator McCarthy, along with his associates, that the files be opened . . . and the assertion that the loyalty files would 'prove his case,'" they found the "almost unbelievable situation of the members of Senator McCarthy's own party on our subcommittee taking the trouble to read only a very small percentage of the files made available . . . ."<sup>230</sup> As a result of this failure, the Republicans were "quite obviously unable" to make a judgment about the evidence.<sup>231</sup>

Explaining that one of the two major charges about which the subcommittee had been concerned was that there were a large number of Communists in the State Department, a major portion of the report was dedicated to a discussion of the cases publicly charged by McCarthy. All of these people, including Service, were cleared by the majority

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<sup>229</sup>State Department Report, I, 2-4, 8.

<sup>230</sup>According to the majority members, Hickenlooper read only 9 and Lodge only 12 of the files. Ibid., 11-2.

<sup>231</sup>Ibid., 166.

members.

They repudiated each of the accusations against the officer noting that they had stemmed from four sources: Hurley, McCarthy, Larsen, and Budenz. As for the Wisconsin Senator's charge that Service was part of the "pro-Soviet group" advocating that the United States overthrow Chiang Kai-shek, the Democrats explained that this conclusion was based "almost exclusively" upon an interpretation of the diplomat's reports. The majority members accepted instead Kennan's estimate that these memoranda contained nothing but Service's "best judgment candidly stated to the Department."<sup>232</sup> They also denounced McCarthy's claim that the officer was a "top policy maker," pointing out that he was only one of the many junior Foreign Service Officers who were reporting to the State Department, and that the policy of the Department was made by "top officials in Washington based on a consideration of all information received."<sup>233</sup>

Turning to Hurley's allegation that Service had sabotaged United States policy in China, the Democrats declared that it was based on the inference that the officer had been subordinate to the former Ambassador which was untrue.<sup>234</sup> Moreover, Service not only was never charged with insubordination by his superiors but was commended by them.<sup>235</sup>

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<sup>232</sup>Ibid., 77.

<sup>234</sup>Ibid., 78.

<sup>233</sup>Ibid., 77.

<sup>235</sup>Ibid.

Expressing the opinion that Hurley's charge centered about Service's report of October 10, 1944, the majority members asserted that the memorandum did not "by any standard of justice or fair play, reveal Service as disloyal or pro-Communist . . . ."236 They again cited Kennan's analysis of the diplomat's memoranda as well as Secretary of State Byrnes' statement in the December, 1945, hearings as "a complete answer to the allegation that Service's reports were an attempt to sabotage General Hurley,"237 and yet "five years after these reports were written, it is proposed to penalize a Foreign Service officer by destroying his career and branding him as disloyal for writing what appears to have been the true facts as he saw them."238

The Democrats continued their fervent defense of the career diplomat by asserting that they

could not point out too strongly the manifest unfairness of those who would denounce a man . . . by reference to a portion of his reports, particularly when it is realized that those who charge Mr. Service with being pro-Communist in 1945, depend on General Hurley's statements for a substantiation of the charge. They are raising a charge that could more properly be hurled against General Hurley himself, if we chose to utilize the same unfair technique.239

They then proceeded to cite a number of statements made by the former Ambassador which illustrated his belief that the Chinese Communists were of a non-Soviet nature. In contrast,

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236 Ibid.

238 Ibid., 78-9.

237 Ibid., 78.

239 Ibid., 79-80.

Service had pointed out that the Chinese Communists were Marxists and were advancing their own interests by the use of so-called democratic reforms.<sup>240</sup> The majority members were, thus, of the opinion that "the shoe of 'pro-Communist' would appear to fit the foot of Patrick Hurley more snugly than it does John Service. Yet we reject with all our being any suggestion that Patrick Hurley is anything other than a loyal American doing what he conceived to be his patriotic duty . . . ."241

In regards to the accusation that the diplomat had well known Communist associations, the Democrats asserted that it was unsupported "by a single citation of facts" and had been repudiated by many prominent persons who testified in Service's behalf. Although the officer had contact, necessitated by his work, with persons who "have been charged for varying reasons with having Communist connections, Mr. Service's association with them occurred before any such charges."<sup>242</sup> The majority members concluded, therefore, that this allegation was "completely unfounded."<sup>243</sup>

Declaring that the most serious charge against the diplomat was his "admitted association" with the other subjects in the Amerasia case, the Democrats discussed those

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<sup>240</sup>Ibid., 80.

<sup>242</sup>Ibid., 81.

<sup>241</sup>Ibid., 80-1.

<sup>243</sup>Ibid., 82.

aspects of the case which pertained to Service. They completely refuted the McCarthy charge that the officer was in contact with Jaffe from China. The majority members additionally noted that Service had not arrived in Washington until April 12, and his first contact with a subject of the case was April 19. It seemed obvious, consequently, that the editor's source of documents was already fully developed by this time.<sup>244</sup>

The Democrats not only found it significant that Larsen admitted to the F.B.I. that he had furnished Jaffe with the eight ozalid copies of the career diplomat's report which were found in the journalist's brief case when he was arrested but further noted that when Service was arrested no government documents were found in his possession.<sup>245</sup> Another factor in their evaluation of the diplomat's loyalty was Larsen's repudiation of his testimony before the Hobbs Committee of 1945 when he "set out to 'get even' with Service" because he was now "endeavoring to tell the truth."<sup>246</sup> As for the damaging evidence contained in Larsen's article in Plain Talk, the majority members expressed doubt about its reliability and pointed out Larsen had denied writing it in the form in which it was published.<sup>247</sup>

Particularly impressed with the "frankness and

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<sup>244</sup>Ibid., 91.

<sup>245</sup>Ibid., 93.

<sup>246</sup>Ibid., 148.

<sup>247</sup>Ibid., 93, 147-8.

cooperativeness of Mr. Service in his appearance before us,"<sup>248</sup> the Democrats also stressed the officer's voluntary appearance before the grand jury in 1945 and its unanimous vote not to indict. They further noted that Service had been under almost continuous scrutiny for the five years since the Amerasia case, during which time he had been cleared four times by the State Department.<sup>249</sup>

While not condoning the diplomat for giving Jaffe personal copies of some of his reports, the majority members recognized that it "was an accepted practice for State Department officials to impart some types of classified information to writers in order to give them background information for their articles."<sup>250</sup> The Democrats also emphasized that "both Mark Gayn and Philip Jaffe were considered reputable newsmen and writers by the public in the spring of 1945 when Service first met them."<sup>251</sup>

Although they had to conclude that the officer was "extremely indiscreet with Gayn and Jaffe, a fact which he readily admits," they felt that the State Department was perhaps partially at fault for failing to brief its employees on how they should deal with the press. Despite this indiscretion, the majority members could not and did not feel that it was "sufficient to brand an otherwise competent and

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<sup>248</sup>Ibid., 92.

<sup>250</sup>Ibid.

<sup>249</sup>Ibid., 93.

<sup>251</sup>Ibid.

loyal employee of 17 years' service as disloyal, pro-Communist, or a security risk."<sup>252</sup>

In addition to Service's involvement in the Amerasia affair, the Democratic Senators discussed all aspects of the case in detail. Denying McCarthy's charge that the case was the key to an espionage ring in the State Department,<sup>253</sup> they further determined that "no agency of our Government has been derelict in any way in the handling of the Amerasia (sic) case."<sup>254</sup>

Another phase of this report concerned the second general allegation that Communists and other disloyal forces in the State Department sabotaged America's China policy. In the opinion of the majority members, one of the well-defined sources for this accusation came from a "distortion" of Hurley's original charges by "certain quarters."<sup>255</sup> An objective appraisal of the former Ambassador's testimony in 1945 reflected, though, that "he did not charge the State Department career foreign officers with being disloyal Americans in that they sought to aid another nation to the injury of the United States; but rather that they disagreed with him, and were insubordinate in acting on their disagreement . . . ."<sup>256</sup> The career diplomats were, therefore, not

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<sup>252</sup>Ibid., 94.

<sup>254</sup>Ibid., 144.

<sup>256</sup>Ibid., 146.

<sup>253</sup>Ibid., 137.

<sup>255</sup>Ibid., 145-6.

only not disloyal, but since it had been established that the officers to whom Hurley referred were not his subordinates, a charge of insubordination was also "ridiculous."<sup>257</sup>

Before the Democrats ended their report, they defended themselves against what they called the greatest "organized campaign of vilification and abuse" to which a Congressional committee had ever been subjected.<sup>258</sup> The majority members believed that a primary motive for this barrage of criticism was "to camouflage the fact that the charges made by Senator McCarthy were groundless and that the Senate and the American people had been deceived."<sup>259</sup> Another reason for the accusations that the inquiry was a "whitewash" was "the desire to leave the thought that we [the subcommittee, especially the Democrats] were engaged in a cover-up of something dark and sinister in the administration."<sup>260</sup>

In their final observations, the Democrats asserted that they had

found that the complaint of Senator McCarthy concerning disloyalty in the State Department, which precipitated our investigation, is false and have fully assured ourselves that the existing agencies and facilities for meeting the problem of security are doing their jobs efficiently and conscientiously. Having made this

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<sup>257</sup>Ibid.

<sup>259</sup>Ibid.

<sup>258</sup>Ibid., 149.

<sup>260</sup>Ibid., 150.



finding on the basis of the evidence before us, the suggestion that we continue to 'investigate' in the abstract becomes absurd.<sup>261</sup>

They also expressed concern and anger at the impact of the Wisconsin Senator's allegations which had "seen the character of private citizens and of government employees virtually destroyed by public condemnation on the basis of gossip, distortion, hearsay, and deliberate untruths."<sup>262</sup> Declaring that McCarthy's charges were "an effort to inflame the American people with a wave of hysteria and fear," the majority members felt constrained to "call the charges, and the methods employed to give them ostensible validity, what they truly are: A fraud and a hoax perpetrated on the Senate of the United States and the American people."<sup>263</sup>

Not surprisingly, the two Republican members of the subcommittee, Hickenlooper and Lodge, declined to sign the above report, whose preparation they had originally opposed, and the latter filed a minority report. Asserting that many "essential witnesses were not called and essential questions were left unanswered," the Massachusetts Senator labelled the subcommittee's record "a tangle of loose threads."<sup>264</sup> He especially cited the Amerasia case as one example of the inadequate investigation. In his opinion, the question of why the case was handled in such a "timid" way by the

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<sup>261</sup>Ibid., 167.

<sup>262</sup>Ibid., 151-2.

<sup>263</sup>Ibid., 152, 167.

<sup>264</sup>"Individual Views," State Department Report, II, 30.

Government was still unanswered.<sup>265</sup> While admonishing the subcommittee for not doing its job, Lodge defended himself for not reading all the loyalty dossiers made available declaring that the ones he read were "in such an unfinished state as to indicate that an examination of each file would be a waste of time."<sup>266</sup>

The Massachusetts Senator additionally criticized the subcommittee for demonstrating "a distinct tendency throughout the investigation to give a far greater amount of time to proving or disproving individual charges than was given to the over-all problem of ferreting out disloyal persons and protecting the Government against foreign penetration."<sup>267</sup> All too frequently the "tone of the proceedings--which necessarily was set by the majority--was lacking in impartiality. The atmosphere was too often one of trying to hang someone rather than to ascertain the truth."<sup>268</sup>

In his discussion of the hearings, Lodge devoted considerable attention to the charges against Service concluding that the officer "in the Amerasia (sic) case was most indiscreet in his associations, which were entered into in an apparently rapid, thoughtless, and indiscriminating manner."<sup>269</sup> Because Service was a "trusted official of the

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<sup>265</sup>Ibid., 9, 15.

<sup>266</sup>Ibid., 19.

<sup>267</sup>Ibid., 2.

<sup>268</sup>Ibid.

<sup>269</sup>Ibid., 19.

Government . . . this imposed upon him a far greater responsibility for discretion than that imposed upon persons in a less responsible position."<sup>270</sup> Although the officer "should certainly not have associated himself with these people [subjects in the Amerasia case] without first having made very sure that such associations would not endanger the United States or embarrass him or his superiors" Lodge acknowledged that there was "no proof of disloyalty and no rumor against his character."<sup>271</sup>

As part of his final observations, the Massachusetts Senator asserted that the subcommittee investigation was only a "preliminary and tentative sampling of an exceedingly complex and difficult subject . . . ." <sup>272</sup> He recommended, therefore, that a bipartisan, trained, independent commission be established to carry on the inquiry.<sup>273</sup>

Both of these reports, primarily the one prepared by the majority members, generated a tremendous partisan controversy in the Senate. On July 17, a number of Republicans, especially the members of the subcommittee, discussed at great length the Democratic report which apparently had been released to the press before receiving Senate approval.

Lodge angrily denied that he had been excessively absent from the subcommittee sessions and defended himself

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<sup>270</sup>Ibid.

<sup>272</sup>Ibid., 30.

<sup>271</sup>Ibid.

<sup>273</sup>Ibid., 28-30.

against the criticism of the Democrats that he had read only twelve of the loyalty files.<sup>274</sup> If this attack on him was an example of the accuracy of the report, the Massachusetts Senator asserted that the whole document "was suspect."<sup>275</sup> He further declared that the majority members must indeed be "desperate men to use these personal methods to divert attention from the main issue which, of course is the total inadequacy of the investigation."<sup>276</sup> Another reprimand directed against the Democrats by Lodge concerned their failure to inform the minority members of the contents of their report.

Senator Hickenlooper further protested that he had not been able to obtain a copy of the document until after it had been released to the public, and even then only with difficulty.<sup>277</sup> Senator H. Alexander Smith, Republican member of the full committee from New Jersey, added that even the committee had not seen the report.<sup>278</sup> This assertion initiated a lengthy and critical discussion as to why the majority members had not given the committee a copy.<sup>279</sup> Senator Connally, Chairman of the full committee, finally interrupted

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<sup>274</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 8, 10396.

<sup>275</sup>Ibid.

<sup>276</sup>Ibid.

<sup>277</sup>Ibid.

<sup>278</sup>Ibid.

<sup>279</sup>Ibid.

to point out that it was going to meet the following day to consider the document. This comment only stimulated a debate between Connally and Smith, who declared that he had not been informed of this. The New Jersey Senator was also angry that he had not seen the report before it was issued to the press.<sup>280</sup> At this juncture, Senator Lucas asked Lodge if he had submitted his statement to the full committee, thus setting off a heated argument between these two men.<sup>281</sup>

The next day the debate continued. Tydings launched it when he expressed his desire to submit the majority report.<sup>282</sup> Senator Wherry responded with a request for a delay so that all the Senators could read the document. After prolonged discussion, the Maryland Senator agreed to withhold the report temporarily.<sup>282</sup>

On July 20, Tydings submitted it, indicating that it had the approval of the full committee.<sup>283</sup> Senator Smith immediately denied this, and the wrangling began again. Connally attempted to halt the criticism, by declaring that, as chairman of the full committee, he had authorized the Maryland Senator to submit the document.<sup>284</sup> When this failed to end the debate, Vice President Alben Barkley finally stated

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<sup>280</sup>Ibid., 10397-8.

<sup>282</sup>Ibid., 495.

<sup>284</sup>Ibid., 10687.

<sup>281</sup>Ibid., 10398.

<sup>283</sup>Ibid., 10696.

that he had received the report, and it was not debatable.<sup>285</sup> The Republicans, especially Senator Wherry, persisted, though, in their effort to send the document back to the full committee until they were ruled out of order.<sup>286</sup>

Senator Lodge then asked if he could submit his report with that of the majority members. This was agreed upon with Tydings' consent.<sup>287</sup>

The controversy was not over, though, for the afternoon session was even more heated. The Republicans were determined to defeat the report, primarily using the strategy that the document was not the report of the full committee, and the Democrats relied upon parliamentary procedure to thwart their effort. To add to the confusion, the galleries began to demonstrate. Not surprisingly, tempers became frayed.

Although it became obvious during the course of the argumentation that the full committee had accepted the report and voted unanimously to send it to the Senate,<sup>288</sup> Smith and Hickenlooper insisted that this was merely procedural action and did not actually indicate approval of the report by the membership of the full committee.<sup>289</sup> In addition to their endeavor to send the document back to committee, the

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<sup>285</sup>Ibid., 10688.

<sup>287</sup>Ibid., 10689.

<sup>289</sup>Ibid.

<sup>286</sup>Ibid.

<sup>288</sup>Ibid., 10697.

Republicans attempted to delete those sections of the report which were critical of their colleagues. Senator Wherry submitted a resolution to prohibit in committee proceedings or reports the use of language imputing to another Senator unworthy conduct or motives.<sup>290</sup>

This proposal was referred to the Rules Committee, but it would have no effect on the majority report. Late in the afternoon, with hostility at a high level, Tydings submitted Senate Resolution 314 which proposed that the majority report as well as Lodge's supplement be printed.<sup>291</sup> It was finally approved<sup>292</sup> in a strictly partisan vote, 45 to 37.<sup>293</sup>

Despite this action, the Republicans continued to attack the Democratic document. McCarthy was among those who became quite outspoken in their criticism during the next few days. Several Senators, including Bridges, accused the inquiry of whitewashing, and Knowland called for a reopening of the Amerasia case.<sup>294</sup>

The investigation was thus officially concluded with

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<sup>290</sup>Ibid., 10696.

<sup>291</sup>Ibid., 10717.

<sup>292</sup>Ibid., 10719.

<sup>293</sup>New York Times, July 21, 1:3, 8:3.

<sup>294</sup>Tsou, 543-5. See also Congressional Record, 81st Cong., 2nd sess., XCVI, Part 8, 10773-92, 10805-21, and 10837-48.

the lines of party cleavage even more clearly delineated. The originator of the China conspiracy was not ignored at this time either. Taft sent Hurley a telegram which the latter received on the evening of July 21, and Hurley replied in a lengthy letter the following day.

Extremely critical of the majority report, the former Ambassador asserted that if he did not have such "wholesome regard for the integrity and ability of Senator Tydings, I would believe that the report is a deliberate attempt to keep important facts from the knowledge of the people."<sup>295</sup> Hurley told the Senator that the document was a

travesty of bias and blind partisanship that in normal times should make people laugh, but in these dangerous days when Americans should be united, such gross deception may make many patriotic Americans distrust the purpose and the integrity of the officials of our government.

The Tydings Committee has stressed the wave of suspicion created by those who are trying to procure the facts for the people. They charge those who want the American people to know the truth with using the "big lie" technique, so skillfully used by the Communists. I know of my own personal knowledge that the "big lie" Communist technique is being and has been used by the government to shield those who have been opposed to the American system of liberty and self government and have supported Communism and imperialism or some form of collectivism.

I repeat that to my knowledge, our ally, the government of the Republic of China was sabotaged by pro-Communists in our own State Department. Those pro-Communist diplomatic officials were supporting the Chinese Communist Armed Party in its effort to overthrow the government of the Republic of China which I was

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<sup>295</sup>Hurley to Taft, July 22, 1950, Hurley Papers.



directed by President Roosevelt to uphold.

The pro-Communists in the American State Department did achieve their purpose and did engineer the overthrow of the Republic of China and the Communist conquest of China.

The objective of the pro-Communists in our State Department was not attained by the armed forces of Communism on the battlefields. It was accomplished in the Yalta secret agreement, which constituted the blueprint for the Communist conquest of China.<sup>296</sup>

After a long diatribe about Yalta, the former Ambassador turned to the Amerasia affair and asserted that even "the Tydings Committee knows that the finding it made in the . . . case is untrue."<sup>297</sup> Indicating his bitterness that "all the pro-Communists had access to the secret documents of the State Department" but they were not available to him, his letter concluded with an elaborate defense of himself.<sup>298</sup>

Comments similar to those in the above letter were expressed by Hurley in an extensive and rambling memorandum which he composed on the State Department Employee Loyalty Investigation. He began this document by stating that he would like to again (sic) draw attention of the public to the fact that officials in the Government have been shielding subversives. The Government has set up a number of committees or commissions who take testimony in secrecy and leak as much of it as is essential to shield subversives. The real facts do not get to the people.<sup>299</sup>

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<sup>296</sup>Ibid.

<sup>297</sup>Ibid.

<sup>298</sup>Ibid.

<sup>299</sup>Memorandum on Tydings Hearings, Hurley Papers.

Discussing the 1945 investigation by the Senate Foreign Relations Committee, the former Ambassador described it as a "travesty" because it "prevented" him from testifying. The public did not learn the truth because the documents he needed to prove his case were refused. He asserted that the documents which he requested were denied to him on the grounds that they had been stolen

and the State Department's files had been filed. I accepted this fact as being true. But after the F.B.I. recovered some eighteen hundred documents from the Communist Amerasia Magazine in New York, I was told the documents I needed were back in the State Department, but they would not be furnished to me as it was the policy of the State Department not to let the American people know what was in the documents that were furnished to the Communists in New York.<sup>300</sup>

Hurley then turned to the recently concluded hearings. Although he was not trying "to prove that my old friend Senator Tydings in his effort to shield the career men in the State Department stated a falsehood," he pointed out that his telegram of June 20 to the Maryland Senator was "a complete refutation of Senator Tyding's statement in the secret hearings."<sup>301</sup> Whereas Tydings said that he had "urged General Hurley to come and testify, but he does not want to come because he says he cannot bring out anything that we do not already know,"<sup>302</sup> the former Ambassador denied that he "at any time told the Senator that I didn't want to

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<sup>300</sup>Ibid.

<sup>301</sup>Ibid.

<sup>302</sup>Ibid.

testify."<sup>303</sup> Instead, he had told Tydings that it would be "futile for me to testify again with all the State Department records being used to shield the subversives while preventing both myself and the public from the use of documents essential to a correct presentation of the facts," and the Senator replied that Hurley would "not be permitted to have the documents and said that it was agreed between him and me that I would not testify if I were not given access to the documents."<sup>304</sup>

The former Ambassador continued his angry tirade asserting that

the Communists through the Amerasia (sic) Magazine has had access to the documents but the American public do not know what is in them and I am being condemned and smeared continuously by the pro-Communists in the State Department by the leaking of the half-truth misleading quotations taken out of time and out of context. All of this is being done to belittle any American who still endeavors to uphold the principles of individual liberty, self-government, regulated free enterprise and justice.<sup>305</sup>

Hurley then cited the comment in the majority report that "the shoe of pro-Communist would appear to fit the foot of Patrick Hurley more snugly than it does John Service . . ." as an example of the tactics of the government's "secret investigators."<sup>306</sup>

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<sup>303</sup>Ibid.

<sup>304</sup>Ibid. This is a fairly accurate resume of the conversations and correspondence between the two men.

<sup>305</sup>Ibid.

<sup>306</sup>Ibid.

He concluded his statement by discussing Communism in China. Although only the Chinese leaders had accepted the ideology, they had "taken control of China because America betrayed our ally, the National Government of the Republic of China . . . ."307

Despite the enveloping air of suspicion, to which the former Ambassador was contributing by such comments, not all Americans had succumbed. An editorial in the Atlantic Monthly criticized Hurley for "now beating the air with the suggestion that the State Department and not he himself was the advocate of a Nationalist-Communist front in China."308 The former Ambassador was embittered as well as angered by this assertion.

In response, he wrote a protracted and somewhat irrational letter to the magazine editor. Hurley declared that the statement was not only untrue but he was "convinced that the writer has access to other State Department secret documents that have not been made available to the American people."309 He further described the magazine's statements of his position as being in line with the

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307 Ibid.

308 Letter to the editor of the Atlantic Monthly, September 28, 1950, 1, Hurley Papers.

309 Ibid.

false propaganda which has been used by the pro-Communists in the State Department, by the writers of the so-called defamatory books written by the papers and other State Department secret documents, by the imperialists who wish to continue imperialism in China, and by all of those who participated in making the Yalta Secret Agreement which constitutes the communist blueprint for the conquest of China, that it was I who began the policy to force a peace time coalition between the Communists and the National Government. The false propaganda which you now promote has also been used not only by our State Department but by other government officials to keep the truth from the American people, and finally, of much less importance to make a scapegoat out of me.<sup>310</sup>

The former Ambassador then reiterated his directives, stressing his success in preventing the collapse of the National government and keeping the Chinese National Army in the war. He was not successful in unifying all of the military forces in China because the "career diplomats in China advised Mao not to unify his forces with the National Army unless he were in control."<sup>311</sup> Hurley continued his letter with a detailed description of the efforts of the Foreign Service Officers, especially Service and Atcheson, to undermine American policy in China.<sup>312</sup>

The former Ambassador also criticized the previous investigations of America's China policy and once again brought out that he was denied, both in 1945 and 1950, the documents which would have proved "that our foreign policy

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<sup>310</sup>Ibid., 6.

<sup>311</sup>Ibid., 2.

<sup>312</sup>Ibid., 4-10.

in China was being sabotaged by career men in the State Department. The documents were refused to me on the ground that they were secret, although some of them had been written by me. All of them were among the Amerasia (sic) papers which had been furnished to the communists and others."<sup>313</sup> Hurley concluded that these documents were still available to pro-Communist "propagandists," since the Atlantic Monthly apparently possessed "inside information" as a basis for its "propaganda."<sup>314</sup>

While the former Ambassador was adding to the confusion surrounding America's China policy with statements distorted both by time and pride, the State Department had been conducting formal hearings on Service's fitness for duty.

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<sup>313</sup>Ibid., 9-10.

<sup>314</sup>Ibid., 10.

## CHAPTER XII

### THE SERVICE HEARINGS

Prior to Service's appearance before the Senate Foreign Relations Committee, the State Department Loyalty Security Board began its investigation of the officer. This board had been established by the Secretary of State in July, 1947, "to review security and investigative records of departmental and foreign service personnel whose cases are to be considered for termination as security risks."<sup>1</sup> Service was charged with "being a member of, or in sympathetic association with the Communist Party . . . ,"<sup>2</sup> which was "reflected in his writing;"<sup>3</sup> of consorting with Communists while he served in China and Japan; and of consorting "with alleged Communists and Communist sympathizers" while in the United States and turning over "to them classified documents without authority."<sup>4</sup>

Hurley was contacted by the Chairman of the Loyalty Security Board, General Conrad E. Snow, about testifying before it. The former Ambassador replied that he would not

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<sup>1</sup>"Service Hearings," State Department, II, 1958.

<sup>2</sup>Ibid.

<sup>3</sup>Ibid., 1960.

<sup>4</sup>Ibid.

do so because the hearings were secret, and he had "no desire to appear in a star-chambered proceeding which has every indication of becoming another whitewash . . . ." <sup>5</sup> Such an investigation would only mislead the people again "as they were when the true facts were concealed from them by the action of the Committee on Foreign Relations and by the deliberate efforts of the Department of State and Secretary of State to prevent the true facts from getting to the American people." <sup>6</sup>

Despite Hurley's refusal to testify, the board conducted exhaustive formal hearings. They lasted from May 26, 1950 to June 24, 1950, and went into a thorough review of all aspects of Service's career. <sup>7</sup>

When the proceedings began, the officer's attorney, Charles E. Rhett, submitted to the board a written statement by Service; a "Chronology of Events" which listed dates and respective events and activities of the officer during the period in question; all the reports written by Service during the years 1942-1945 which could be collected from State

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<sup>5</sup>Hurley to Snow, June 6, 1950, Hurley Papers.

<sup>6</sup>Ibid.

<sup>7</sup>The complete transcript of the proceedings of the board plus all exhibits and documents presented to it were submitted to the Senate Foreign Relations Committee and included in the record of their investigation. See State Department, II, 1958-2509.



Department files; and miscellaneous documents, such as letters of commendation received by Service and excerpts from the White Paper and the Hobbs investigation.<sup>8</sup> The attorney also discussed briefly the allegations against the career diplomat, dividing them into three groups. He characterized the first of these as "the China charges," and asserted that Hurley was the "grandfather" of them since his accusations had "been repeated over and over," by such Congressmen as Judd and McCarthy.<sup>9</sup> The second division concerned Service's involvement in the Amerasia case, and the third related to the officer's duty in Japan in 1945. He was accused of having close association with members of the Japanese Communist Party and of expressing favorable views toward it.

After this introductory presentation, Service began his testimony by reading the first part of the lengthy personal statement which related to his career in China and was of an autobiographical nature.<sup>10</sup> One section of this document provided excellent insight into some of the reasons for his anti-Kuomintang feeling and his praise of the Chinese Communists. He cited a 1942 tour of the northwestern province of Kansu, which had not been visited by American government

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<sup>8</sup>"Service Hearings," State Department, II, 1959.

<sup>9</sup>Ibid., 1960.

<sup>10</sup>Sections of it are very similar to the statement he presented to the Senate Foreign Relations Committee.

representatives for a number of years, as making a deep impression upon him. He saw inflation, corruption, the workings of the secret police, the vicious conscription system, and the heavy military imposition. People were starving while troops, merchants, and officials prospered. There was active trade across Japanese lines with luxury goods coming from the enemy areas and strategic materials going to them. The blockade of the Communist area and the idle concentration of Nationalist troops was also obvious. The officer talked to missionaries and Chinese who had been in the Communist areas and learned that conditions were enough better there to attract a movement of refugees who crossed the blockade lines at risk of their lives.<sup>11</sup>

When Service returned to the United States shortly after this trip, he was the first member of the Chungking Embassy staff to visit Washington since before Pearl Harbor. Hence, he was asked to confer with and be interrogated by numerous agencies concerned with China. Several journalists were also sent to him for background information.<sup>12</sup>

His pessimistic view of the Chinese situation was noted, and it was "suggested that he summarize these in memorandum form."<sup>13</sup> His report of January 23, 1943, was the

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<sup>11</sup>Service Statement, "Service Hearings," Ibid., 1965-6.

<sup>12</sup>Ibid., 1966.

<sup>13</sup>Ibid.

result. In this memorandum, the officer pointed to the possibility of a civil war which would seriously interfere with the war against Japan and might result in a Communist victory. It was urgent, therefore, for the United States to find out by direct observation something about the Chinese Communists. Service then noted that since he was "possibly the first to point the issues, . . . [he] came to be regarded (erroneously because of . . . [his] very subordinate position) as a leader, or at least a forerunner, of an attitude or policy which has wrongly been interpreted as pro-Communist."<sup>14</sup>

The diplomat also discussed his assignment to General Stilwell in August, 1943, and declared, as he had to the Senate Foreign Relations Committee, that the State "Department's instructions made it clear that I was to be completely under General Stilwell's order for duties, movements, or station."<sup>15</sup> His "complete subordination to the Army was never questioned by the Department of State or by Ambassador Gauss. It was not, however, understood by General Hurley who has accused me . . . of disloyalty to him."<sup>16</sup>

Delineating his duties under this assignment, Service explained that one was "to act as liaison between the headquarters [military] and the Chinese Communist official office in Chungking . . . ."<sup>17</sup> Another was "to work closely with

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<sup>14</sup>Ibid.

<sup>16</sup>Ibid.

<sup>15</sup>Ibid., 1967.

<sup>17</sup>Ibid.

the press and to give them background information regarding the situation in China, particularly as it affected the war."<sup>18</sup> His work provided him with both the opportunity and time to acquire a great deal of political information, and he wrote many voluntary political reports, copies of which were given to military headquarters, the Embassy in Chungking, and Davies.<sup>19</sup> He kept a fourth copy for his personal files which he placed under his own information classification system.

The career officer next described the organization of the observer mission to Yen-an in July, 1944, and his assignment to it. He pointed out that it was made clear to the Communists from the beginning that the mission was "not to negotiate, offer any aid or supplies or to make any commitments of any kind."<sup>20</sup> As part of his duties in Yen-an, he made--"a thorough attempt to become acquainted with and to interview all of the principal Communist leaders and to report in a systematic way on the political organization, policies, program, propaganda, extent of popular support . . . of the Chinese Communist Party."<sup>21</sup>

Service admitted that "all in all . . . [the members of the mission] were favorably impressed" by what they observed.<sup>22</sup> By early fall, the group felt they had verified

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<sup>18</sup>Ibid.

<sup>20</sup>Ibid., 1970.

<sup>22</sup>Ibid.

<sup>19</sup>Ibid.

<sup>21</sup>Ibid.

their "first favorable impressions" sufficiently to recommend that it would be worthwhile "to give small quantities of equipment to the Communists as an anti-Japanese fighting force."<sup>23</sup> The mission also accumulated a great deal of information on the strength of the Communists which led to the belief that they had built up popular support of such a magnitude as to make their elimination impossible."<sup>24</sup> The diplomat wrote several memoranda which contained such comments. One of these was his report of October 10, 1944, to "which General Hurley later took such violent exception."<sup>25</sup> Service denied that this dispatch was an argument for the abandonment of Chiang Kai-shek; instead it advocated a more realistic policy toward him.

The officer also noted that he stopped in Chungking in October, 1944, on his way to Washington where he was ordered, following Stilwell's recall. He informed Hurley that he would be available, and Roosevelt's special emissary invited him to dinner. During this meeting, Service told Hurley "of the confidence and strength of the Communist attitude . . . ."<sup>26</sup> Minimizing the difficulties of bringing the Nationalists and Communists together, the Presidential emissary "repeatedly" told the officer that he (Hurley) was in China to bring the Communists into the war effort and make

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<sup>23</sup>Ibid., 1970-1.

<sup>25</sup>Ibid.

<sup>24</sup>Ibid., 1971.

<sup>26</sup>Ibid.

certain that they received arms."<sup>27</sup>

After this stopover, Service proceeded to the United States, where he had no regular duties assigned to him in the State Department. His full time was spent "being available to officials and others who had a responsible interest in China and wanted recent background, particularly on the Communists."<sup>28</sup> His superiors knew that he was expressing his own personal views freely, and they apparently considered that he "had sufficient judgment and discretion."<sup>29</sup>

The officer then explained that he had expected his assignment with the Army to be terminated because of Stilwell's recall, but at the end of December, he was asked by the Department if he would be willing to continue. Service learned that "John Davies had had a clash with Hurley which required his immediate transfer out of China and that Wedemeyer desired . . . [his] assignment as a replacement."<sup>30</sup> The State Department had agreed to this arrangement "contingent on Wedemeyer's agreeing that one of my principal duties would be reporting on the Chinese Communists and that for this purpose I would spend a major part of my time in Yen-an."<sup>31</sup>

The diplomat noted that by that time his views on the

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<sup>27</sup>Ibid.

<sup>29</sup>Ibid.

<sup>31</sup>Ibid.

<sup>28</sup>Ibid., 1972.

<sup>30</sup>Ibid.

situation in China and on policy were well known to the White House, the Department of State, and the Army. Although some of his memoranda, such as the one of October 10, 1944, had caused discussion and "not been wholly concurred in by some of the recipients," he had "not at any time, however, been told that my views were considered improper or contrary to American policy or that I should modify them or restrain my expression of them."<sup>32</sup> Aware that his return to China did not "necessarily mean acceptance of . . . [his] views," it still "seemed to be an indication of confidence in . . . [his] value as a reporting officer."<sup>33</sup> Moreover, before he left the United States, Service called the Department's attention to the difficulties of the Embassy staff and John Davies in their relations with Hurley. Nathaniel Davis, Chief of the Division of Foreign Service Personnel told him that he was familiar with the situation in Chungking and emphasized that the officer would be working for the Army and not for Hurley. Davis had also informed Service that he "would have the Department's understanding support."<sup>34</sup>

With this assurance, the Foreign Service Officer returned to China in January, but almost immediately after his arrival, Ambassador Hurley sharply reprimanded him for

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<sup>32</sup>Ibid., 1973.

<sup>33</sup>Ibid.

<sup>34</sup>Ibid.

his October 10 report and threatened to "break" him if he interfered with his responsibilities as Ambassador.<sup>35</sup> Hurley also told the diplomat that he had given the same warning to Davies but had relented because he had not wanted "to ruin the young man's career."<sup>36</sup> Service had reported this encounter to General Wedemeyer who had told the officer that he was working "only for him and should 'carry on.'"<sup>37</sup>

Service next related that it was "common comment" among representatives of the different government agencies in Chungking that

Hurley's account of his instructions [from the President] changed from week to week and came more and more to emphasize the upholding of Chiang Kai-shek and the Central Government. He minimized the difficulties of the negotiations with the Chinese Communists and continually gave . . . an unrealistic, optimistic view of their progress and likely success.<sup>38</sup>

Explaining that this was part of the background of the famous February 28 telegram, the officer then related how that dispatch came into being.

By early February, 1945, negotiations between the Communists and Nationalists had reached an impasse. Service

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<sup>35</sup>For a more complete discussion of this incident see Chapter V, 111.

<sup>36</sup>Ibid.

<sup>37</sup>Ibid. In a letter to the author, dated April 19, 1967, Wedemeyer stated, "I do not recall telling Service that he was working for me and that he should carry on in connection with Hurley's threat to break him."

<sup>38</sup>Ibid.



and another officer who had just returned from Yen-an, Raymond Ludden, had a talk with Wedemeyer "in which we expressed our opinion that military considerations made it undesirable for the Army to become completely tied with the Central Government."<sup>39</sup> The General "said that he agreed and would appreciate a written statement."<sup>40</sup> The two officers proceeded to write a memorandum but "only after considerable discussion . . . since we well knew that it might involve us in serious trouble with Hurley."<sup>41</sup> The result was their report of February 14, 1945, which reflected their thinking "that the situation had reached a state of urgency where we [the United States] could make headway only by taking positive action and in effect telling instead of asking Chiang."<sup>42</sup>

Shortly after this, Hurley left Chungking on a trip to the United States, and George Atcheson, who was in charge of the Embassy,

expressed the opinion to several of his staff and to me that there had been inadequate reporting on the situation and that the Department had received an incomplete and nonobjective picture of the negotiations from Hurley. Atcheson suggested that we prepare a telegram summarizing the whole situation and making recommendations . . . . It was agreed that I [Service] would prepare the initial draft since I was intimately familiar with the subject and had more time available.<sup>43</sup>

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<sup>39</sup>Ibid.

<sup>40</sup>Ibid., 1974.

<sup>41</sup>Ibid., 1974.

<sup>42</sup>Ibid. This dispatch was entitled, "The Military Weakness of Our Far Eastern Policy."

<sup>43</sup>Ibid.

Service did so, using the February 14 memorandum as a basis, and showed the telegram, at Atcheson's instructions, to Wedemeyer's Chief of Staff, who "gave it his hearty endorsement."<sup>44</sup>

The career diplomat then flew to Yenan for observation and reporting. The trip was approved by both Atcheson and military headquarters. While in the Communist capital, Service wrote a large number of reports, primarily about various phases of the program and policies of the Chinese Communist. One important development that he observed was the "admitted Communist aggressiveness in their attitude toward the Kuomintang and in their plans to meet the expected situation at the end of the war."<sup>45</sup>

In early April, the officer received "urgent but unexplained orders to return to the United States at once."<sup>46</sup> Upon his arrival in Washington on April 12, he learned that Hurley "had forced my recall by going to Secretary of War Stimson, the Department of State having told him that he had no authority to give me orders while I was under assignment to the Army."<sup>47</sup> His duty in China thus terminated, Service was detailed by the State Department to the Office of Far Eastern Affairs for consultation.

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<sup>44</sup>Ibid.

<sup>46</sup>Ibid.

<sup>45</sup>Ibid.

<sup>47</sup>Ibid.

This ended the first section of his statement, and the board began to question him about the former Ambassador's allegations. Service denied that he was responsible for the failure of Hurley's mission because of sabotaging and undermining him. He explained that he was not in China during the critical periods of the former Ambassador's negotiations with the Chinese Communists and so could not have sabotaged them. When Hurley arrived in China in September, 1944, Service was in Yen-an with the observer group, and he knew nothing of the Oklahoman's special mission. He left China on October 24, and Hurley did not begin his first, real series of negotiations until November 1. The officer did not return to China until January 18, and the former Ambassador had already telegraphed the State Department on January 14 blaming someone else for the failure. The next period of active negotiations did not begin until August, 1945, when Service had already been out of China for several months.<sup>48</sup>

Hurley had also charged the officer with influencing American foreign policy, naming as evidence the Department of State telegram of February 6, 1945, which the former Ambassador had interpreted as a reprimand.<sup>49</sup> Service refuted

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<sup>48</sup>Ibid., 1983.

<sup>49</sup>This message had informed the former Ambassador that the United States should not "permit" the Nationalist government to gain "the impression that we are prepared to assume responsibility as 'advisor' to it in its relations with the U.S.S.R." See Chapter V, 121-2.

this by pointing out that he was in Chungking at the time of this telegram and could have had nothing to do with it.<sup>50</sup> The former Ambassador had also cited the January 29, 1945, military plan which specified that an American landing force would arm and utilize any forces which could be of aid to them. The young diplomat denied influencing this decision and asserted that he had not been aware that such a definite judgment had been made.<sup>51</sup>

Service completely denied Hurley's allegation that he gave information to the Communists. Quizzed specifically about his October 10, 1944, memorandum, the officer avowed that he had never shown it to anyone in China who was not a member of the United States government, and he had no reason to believe that the dispatch had been revealed to anyone in the Chinese Communist Party.<sup>52</sup> As far as he knew, it was first disclosed to the Communists of the world when Congressman Judd inserted it in the Congressional Record on October 19, 1949.<sup>53</sup>

The former Ambassador had also claimed that the January military plan had been leaked to the Chinese Communists because their forces had moved into the coastal areas during this time. Declaring that he had never supplied

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<sup>50</sup> Ibid., 2028.

<sup>52</sup> Ibid., 2003.

<sup>51</sup> Ibid., 2030.

<sup>53</sup> Ibid., 2001.

any such information, Service noted that it had been generally understood from repeated public statements that the United States would eventually land in China. Furthermore, as early as August, 1944, the Communists had given indications of moving to the southeast part of China where it was more likely that such a landing would take place. In fact, he had pointed this out in several memoranda. He had even tried to persuade the Communists from being on the spot when the American troops landed.<sup>54</sup>

The officer did testify, though, that he had favored cooperation with whatever forces would be able to help the United States, and he cited the report in which he and Raymond Ludden had expressed the belief that the United States should plan "to supply and cooperate with whatever forces we meet, wherever and whenever we land on the mainland."<sup>55</sup> Since, in his opinion, a nation could not stop aid to an ally during a war, Service had advocated that Chiang, if he would not agree to this position, be told that the

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<sup>54</sup>Ibid., 2030-1. Wedemeyer's letter to the author stated that "he saw reports to the effect that Jack Service made available highly classified documents to a Communist representative. I cannot, unfortunately, provide you with specific information about this . . . . There were tentative plans for an Allied landing on the Chinese coast. I emphasize that they were tentative and that I, as Theater Commander, had been asked to comment on them, but that is as far as said plans got. The Generalissimo disapproved of the plans and so did I."

<sup>55</sup>Ibid., 2057.

United States was going to arm any forces which were able to engage and resist actively the Japanese.<sup>56</sup> The officer denied the accusation, however, that he had put pressure on Stilwell to support this position. In fact, the first time he made the recommendation was not until after the General's departure from China.<sup>57</sup> Moreover, there were others who had believed that the United States should arm the Chinese Communists.

Service then asserted that the former Ambassador had apparently favored the idea. He reiterated that when he and Hurley had dinner together in October, 1944, the former Ambassador had told him that he was in China to make certain that the Chinese Communists received arms.<sup>58</sup> The diplomat cited as additional evidence Hurley's message of January 27, 1945, to the Secretary of State in which the Oklahoman had stated: "The result of unification of the Chinese military force is worthy of much more consideration than it has heretofore received from America."<sup>59</sup>

Service also pointed out that the genesis and primary task of the former Ambassador's assignment had been to put Stilwell in command of all the forces in China.<sup>60</sup> Hurley

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<sup>56</sup>Ibid., 1991.

<sup>57</sup>Ibid., 2026.

<sup>58</sup>Ibid., 2002.

<sup>59</sup>Ibid., 2086.

<sup>60</sup>Ibid., 1970, 1987. This was the original directive given to Hurley in August, 1944.

had gradually come, though, to put great emphasis on one particular feature of America's policy in China--support of Chiang Kai-shek and the Nationalist government. The former Ambassador had believed that by persuasion alone he could induce the Generalissimo to make the concessions necessary to bring about a coalition government. The career officer testified that at the beginning, all the American representatives in China

agreed that support of Chiang had to be tried, but eventually as the negotiations had gone on for some time with no success and as it became apparent later with only a worsening of the situation, some of us believed that we had to take more direct action and in effect tell Chiang Kai-shek instead of asking him, and that is the only disagreement which we had on China policy with General Hurley.<sup>61</sup>

Service was asked for more information about his assignment with the Army, and it was brought out that he was never administratively a member of the Embassy or responsible to Hurley during the Oklahoman's tenure as Ambassador.<sup>62</sup> Questioned specifically about his assignment to Wedemeyer, the young diplomat explained that the General had asked to retain the Foreign Service Officers who had been assigned to Stilwell.<sup>63</sup> Service replied, in response to further questions,

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<sup>61</sup>Ibid., 1991.

<sup>62</sup>Ibid., 1997.

<sup>63</sup>Ibid., 1998. As indicated earlier, Wedemeyer would later testify that he had primarily retained these men because they had been worried about their status. See Chapter IV, Footnote 31, 72.

that he believed, although he could not be certain, that the General had had knowledge of his October 10 report when he asked the officer to remain as a member of his staff because it had been discussed in military headquarters and was already known to Hurley.<sup>64</sup>

Queried whether Wedemeyer had ever indicated to him that the policy views he expressed were inimical to the interests of the United States, Service replied that the General had implied quite the contrary. Wedemeyer had "welcomed the views;"<sup>65</sup> in fact, the memorandum of February 14, 1945, which became the basis of the February 28 telegram, "was written at his specific request, and he said that he agreed with the views . . . ."<sup>66</sup> The diplomat additionally testified that the General had wanted him to spend time in

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<sup>64</sup>Ibid.

<sup>65</sup>Ibid., 1999.

<sup>66</sup>Ibid. Wedemeyer stated in his letter to the author, though, that he was "confident" that he had "never commented favorably upon the memorandum prepared by Service 'Military Weakness of our Far Eastern Policy.' You must realize that I did want to use these four State Department men in some way so I asked them to make studies concerning the character and ability of Chinese civilians with whom I was coming in contact . . . . Also economic and psychological studies were requested. But after so many years of military training, I certainly didn't turn to these men for their recommendations in my own area . . . . I had better qualified people to turn to for recommendations . . . ." Wedemeyer continued by stating that the comments "attributed to Service . . . are false. If the Communists had agreed to fight the common enemy, the Japanese, I definitely would have allocated arms and equipment . . . but their record when I arrived would not confirm their willingness or intention to fight the Japanese except in sporadic actions. . . ."



Yenan, despite Hurley's opposition. He recalled an incident in February, 1945, when Wedemeyer told him: "Yes, we want you to go. I know that the State Department wants you to go, but as long as General Hurley is here I do not think it wise. Later on it will be all right."<sup>67</sup>

Another question by the board concerned the former Ambassador's allegation that Service, after being relieved of his duties in China and sent home by Wedemeyer, was returned to Yen-an, China, by the State Department, bypassing both the General and Hurley. The officer testified that not only had he never been ordered home by Wedemeyer but he had never returned to China after his recall in 1945.<sup>68</sup>

Service also refuted the former Ambassador's charge that he and the other career men had told the Chinese Communists and the world that the policy which Hurley was upholding in China did not have the support of the United States government or that his interpretation of the policy was wrong. He testified that he had "never said to the Chinese Communists or to anyone else that Ambassador Hurley was not representing American policy . . . . I have never made a statement to the Communists that we were backing the

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<sup>67</sup>Ibid., 2076. Wedemeyer wrote in his letter to the author, however, that he did "not recall Service's testimony that I wanted him to go to the observer mission in Yen-an."

<sup>68</sup>Ibid., 1999. The General in his letter to the author agreed with this and stated: "I did not request the recall of Service from China."

wrong horse."<sup>69</sup> He had even urged the Communists not to engage in personal attacks on Hurley, informing them that such action was the worst possible way to win American friendship or support. The diplomat pointed out, though, that the Communists had known, that there was a debate concerning where the United States would go next. Whenever he was asked about this, he had always replied that America was not committed to an all-out support of any one party or faction in China.<sup>70</sup>

Acknowledging under questioning that he had "made no secret of the fact" that he was favorably impressed by the Chinese Communists and that he thought the United States "would have to work with them in a military way . . . ,"<sup>71</sup> Service denied that he had ever advised the Chinese Communists to decline unification of their Army with the Nationalist Army unless the Communists were given control. Declaring that the Communists had been willing to accept an American commander, he cited Hurley's message to the Secretary of State of January 31, 1945, in which the Ambassador had stated that the Communists did not expect full control.<sup>72</sup> The officer also pointed out that none of the proposals concerning unification of the two forces had recommended that the Communist forces compose more than 20 per cent of the unified Chinese army.<sup>73</sup>

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<sup>69</sup>Ibid., 2001.

<sup>71</sup>Ibid., 2001.

<sup>73</sup>Ibid.

<sup>70</sup>Ibid., 2002.

<sup>72</sup>Ibid., 2010.

Asked if he had ever recommended the discontinuance of aid to the Nationalist government, Service testified that he had argued against such proposals.<sup>74</sup> Although he had favored a more realistic policy toward Chiang, he had never believed that Communism represented the best hope of China or Asia. He then asserted that his reports were observations and did not represent his hopes.<sup>75</sup> He and the other Foreign Service Officers had anticipated that the Communists, "as the dominant and most dynamic force" would eventually be the strongest force in a coalition government, but they had felt that there was a good chance that the United States might be able to work with it.<sup>76</sup> They knew "it was a gamble, but faced with the alternatives it was the only possible thing."<sup>77</sup> Adding that he had never understood that his opinions differed in any way from Hurley's objectives, the officer testified that the official American policy was to try to unify the Communist and Nationalist forces and to bring about a coalition government.<sup>78</sup>

More information was also requested about the February 28 telegram which the former Ambassador believed had "been done behind his back."<sup>79</sup> Denying that the intention of the career officers had been to circumvent Hurley,

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<sup>74</sup>Ibid., 2033.

<sup>76</sup>Ibid., 2024.

<sup>78</sup>Ibid., 2001-2.

<sup>75</sup>Ibid., 2022.

<sup>77</sup>Ibid.

<sup>79</sup>Ibid., 2015.

Service pointed out that the telegram had stated that the presence of General Wedemeyer and Ambassador Hurley in Washington would provide opportunity for discussion of the matter.<sup>80</sup>

The officer's answers to this entire series of questions apparently failed to reassure the board, which continued to quiz him about anything he had written, said, or done that could be interpreted as disloyalty to Hurley. Service finally admitted that the February 14 report, the basis for the telegram of the 28th, might have been regarded as criticism of the Ambassador.<sup>81</sup> In the discussion that followed, the diplomat explained that this dispatch had been prepared for the Commanding General, not the Communists, and that it was never shown to any Chinese. Service noted, however, that he had discussed its contents with "a very reliable friend who was an American correspondent."<sup>82</sup>

Asked if he regarded this action as a deviation from his authorized duties, he replied that he did not, pointing out that "it was quite proper" for him to discuss his personal views with the press as long as he did not represent them as official views.<sup>83</sup> Furthermore, one of his responsibilities was to keep the press informed of political background. The

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<sup>80</sup>Ibid.

<sup>82</sup>Ibid., 2004.

<sup>81</sup>Ibid., 2002-3.

<sup>83</sup>Ibid.

board then inquired if the officer ever gave copies of its reports to correspondents. He replied no, but added that he had allowed journalists to read them.<sup>84</sup>

Another major topic considered by the board was the charge that Service's official writings in China were influenced by Communist sympathies. The officer was questioned at length about his personal life--religious, academic, and professional, but no evidence of Communist or pro-Communist predilection was revealed.<sup>85</sup> Service was next quizzed about his knowledge of Communism--its strategy and propaganda techniques. Acknowledging that his contact with the ideology had been limited until he began reporting on the Chinese movement, he insisted that he had been able to recognize its propaganda much earlier. When observation of the Chinese Communists became one of his responsibilities, he did research on the ideology so that he could intelligently evaluate the movement and compare it to that of the Soviet Union.<sup>86</sup> The officer believed, therefore, that he had been reasonably alert and well-informed about the main lines of Marxiam and Communist Party tactics and operation.

The board also wanted to know, as had the Senate Foreign Relations Committee, why Service had used the terms

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<sup>84</sup>Ibid., 2005.

<sup>85</sup>Ibid., 2047-58.

<sup>86</sup>Ibid., 2057.

democratic and democracy to describe the Chinese Communists. He explained that when he and others had called them democratic or more democratic, their yardstick was the conditions of the rest of China. The term was used in the Chinese sense only.<sup>87</sup> The officer denied that any of the Foreign Service Officers had said that the Chinese Communists had developed democracy or a complete democracy and cited his memorandum of September 10, 1944, in which he had shown that the Communists used democratic methods in the lower echelons but rigorous control from the top.<sup>88</sup>

Asked specifically if he had ever reported that the Chinese Communist movement was a democratic agrarian movement not directly connected with the Soviet Union, Service avowed that he had never made such a statement; in fact, he had "reported quite to the contrary."<sup>89</sup> The diplomat further asserted that he had viewed the Communists as shrewd planners who had prepared in 1937 for the coming war and had foreseen the opportunity that would exist for them to expand their control of the guerilla areas in North China.<sup>90</sup>

After Service concluded his testimony concerning the charges which related to his conduct in China, particularly

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<sup>87</sup> Ibid., 2078.

<sup>88</sup> Ibid. For a more complete summary of this document, see Chapter V, 105.

<sup>89</sup> Ibid., 2035.

<sup>90</sup> Ibid., 2074.

the years, 1943-1945, a number of persons who were familiar with his service in that country appeared on behalf of the officer. Clarence Gauss, former Ambassador to China and Service's superior for several years, was one.

The "Old China Hand" was most vigorous in his praise of the diplomat, whom he held in high regard. He considered Service "one of the outstanding, if not the most efficient and promising young members of the foreign service that had come to my notice . . . . I don't know of any officer in my whole thirty-nine years of service who impressed me more favorably than Jack Service, and I have had an awful lot of young officers with me."<sup>91</sup>

Gauss then refuted, one by one, the various accusations made against the career diplomat. Service was a loyal officer who had never "exhibited any Communist leanings;" he had not been "pro or anti anybody."<sup>92</sup> Any association Service had with Communists in China was "strictly in accordance with his official duties."<sup>93</sup> As for the officer's criticism of the Nationalist government, Gauss asserted that objective reporting "necessarily" had to include comments that were unfavorable to the regime.<sup>94</sup> The retired Ambassador was

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<sup>91</sup>Ibid., 2063-4.

<sup>93</sup>Ibid., 2065.

<sup>92</sup>Ibid., 2064.

<sup>94</sup>Ibid.

equally emphatic that Service had never disclosed information concerning American policy to the Communists, either in China or elsewhere. Not only did the personal integrity of the officer refute such an allegation, but Service did not have access to confidential or secret files. There was, however, leakage of information. Gauss explained that a "situation existed for months in which I was absolutely certain that everything we were sending to the United States that had any vital importance at all was immediately reported back to Chungking."<sup>95</sup> He had twice informed Washington of this, and as a result of an investigation, the only possible conclusion was that the leaks, apparently unintentional, occurred in Washington.<sup>96</sup>

Asked for his evaluation of the accuracy of the officer's reports, the retired Ambassador replied that "they are just about as close to being 100 percent accurate as any human being could present."<sup>97</sup> He then noted that he had suggested that Service be attached to the observer group because he had felt that the young diplomat would report objectively.<sup>98</sup>

Gauss also substantiated Service's testimony that he was not alone in his belief that the Chinese Communists should

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<sup>95</sup>Ibid., 2070.

<sup>97</sup>Ibid., 2069.

<sup>96</sup>Ibid., 2070-1.

<sup>98</sup>Ibid., 2068.



be armed. The retired Ambassador pointed out that this opinion was shared by many, especially military personnel. He had called this fact to the attention of the State Department and had, himself, expressed the viewpoint that if the United States landed on the coast of China and came into contact with Chinese forces fighting the Japanese, it should give them assistance, regardless of who they were.<sup>99</sup>

Near the end of his testimony, the board inquired of the "Old China Hand" about his efficiency reports on the officer, which were very complimentary, and Gauss declared that he would continue to stand by them.<sup>100</sup> Service had always demonstrated loyalty, respect, integrity, and the proper discretion in performing his duties.

Lt. Colonel Joseph K. Dickey, who had served as G-2 Chief of Intelligence under both Stilwell and Wedemeyer, also appeared on behalf of the diplomat. He, too, refuted Hurley's charges.<sup>101</sup> Asked specifically if Service had "hammered" at General Stilwell to arm the Chinese Communists, he expressed doubt that any man could have brought pressure on the General and verified that Stilwell, as well as other military personnel, had favored utilizing the Communist troops.<sup>102</sup> In discussing the diplomat's reports, particularly the one of October 10, 1944, the Colonel declared that the

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<sup>99</sup>Ibid., 2069.

<sup>100</sup>Ibid., 2068.

<sup>101</sup>Ibid., 2168-9.

<sup>102</sup>Ibid., 2070.

comments "were more or less what the Americans generally thought, usually they [the Americans] were much more vitriolic than this . . . ." <sup>103</sup> Dickey also told the board that neither of his superiors, Stilwell or Wedemeyer, had ever expressed any criticism of the officer's memoranda. <sup>104</sup>

John Paton Davies, Jr. was another who staunchly defended Service. Answering that his colleague's reports had been prepared as objectively as possible, he was also of the opinion that Service had evaluated the Chinese situation in terms of what was best for United States interests. The young officer had never expressed any views that were in disagreement with America's stated policy objectives or that could be interpreted as biased toward the Chinese Communists. Davies also attested to the political acumen of Service, noting that they both had shared the belief that Russia would be the principal power rival of the United States in the Far East and that it would likely be the future enemy. <sup>105</sup> The board then quizzed Davies, as it had Dickey, about the charge that the officer had continually tried to influence Stilwell to supply the Chinese Communists. The "Old China Hand" responded that the General, who had few close relationships, had regarded Service as a junior officer. Although Stilwell

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<sup>103</sup> Ibid., 2169.

<sup>104</sup> Ibid.

<sup>105</sup> Ibid., 2029-30.

listened to the views of his subordinates, he always made up his own mind. Moreover, the General had been trying to gain control over the Communist troops before Service was assigned to him.<sup>106</sup>

Probably the most influential testimony in regards to the young diplomat's loyalty was presented to the board by George F. Kennan. As a counselor in the State Department, he had been asked to review and analyze Service's reports, and his conclusions were quite favorable. Kennan testified that the officer's memoranda seemed justifiable. Although they were critical of the Nationalist government, he believed that Service had thought it necessary to make such comments or conditions would not have been noticed.<sup>107</sup>

The Foreign Service Officer's attitude did not reflect any feeling that Communism was the best hope for China and Asia or indicate any Communist inspiration or guidance. Pointing out that aid to Communists or relations with Communists during the war was not incongruous from the standpoint of American policy, Kennan added that Service had never urged support to the Communists without adequate investigation and study.<sup>108</sup>

The counselor also expressed his conviction that

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<sup>106</sup>Ibid., 2130-1.

<sup>107</sup>Ibid., 2115.

<sup>108</sup>Ibid., 2116.

there was no evidence of any ulterior motives in the officer's reports. Far from desiring an extension of Soviet domination, Service pointed with alarm to it. Kennan additionally noted that the career diplomat had made his reports honestly and had not tried to conceal them from the government. He had made it plain what he felt the policy should be.<sup>109</sup>

As to Hurley's charge that Service wanted to keep China divided, the counselor asserted that the career diplomat, on the contrary, wanted a settlement between the Nationalists and Communists to avoid a civil war. Although it seemed bewildering to him, Kennan was of the opinion that Service's reports "advocated . . . the same thing that General Hurley was advocating, which was political accommodation."<sup>110</sup> He explained that the officer had not wanted to recognize the Communists on moral grounds, but because they were already so strong that it would have been impossible to overthrow them in any way except by force. Service believed, as did many, that it was better to have accommodation than civil war.<sup>111</sup>

Although conceding that some parts of the officer's reports revealed "a certain naivete with respect to the Soviet Union and perhaps with respect to the forces which

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<sup>109</sup>Ibid., 2124.

<sup>110</sup>Ibid., 2122.

<sup>111</sup>Ibid., 2123.

were already at war though not on the surface within the International Communist movement and within the Chinese Communist movement in particular,"<sup>112</sup> the counselor pointed out that Service, in some of his later reports, seemed to express less optimism. Kennan also emphasized that the career diplomat was not nearly as "starry-eyed" about the Communists as any number of important people in Washington during this time; in fact, by comparison, he was a conservative or reactionary.<sup>113</sup> The counselor then noted that Service,

Like me and other official observers who went to the Communist areas at that time . . . was impressed with a number of phenomena--and which compared favorably with those which he had known in China under the control of the Nationalist Government--and he was impressed with superior morale, discipline, earnestness of intention, frankness of approach . . . .<sup>114</sup>

When asked whether the officer regarded the Chinese Communists as true Communists, Kennan replied that it was his impression that Service

particularly in the earlier period of his stay in Yanan . . . thought it possible the influence of their [the Communists] experience as a political movement, the extent to which they had been thrown upon themselves in their long march around China, and isolation during the war, and the pressures of purely Chinese psychological influences on them might have changed them in such a

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<sup>112</sup>Ibid., 2118.

<sup>113</sup>Ibid., 2119.

<sup>114</sup>Ibid., 2117.

way as would make them untypical of the majority of Communists . . . and might reconcile them to ruling by means which would be more like what we would consider democratic for a long period even if they came to power in China.<sup>115</sup>

To substantiate this, he pointed to one report in which the officer seemed to believe

that the Chinese Communist Party aimed for an orderly and prolonged progress toward eventual socialism and not for violent revolution, and that it would consider the long-term interests of China and would not seek for an early monopoly of political power. I believe however that these views changed in the course of his service in Yen-an and that in the later part of his service there he felt that there was less likelihood that they would not seek for an early monopoly of power . . . . He did not say they were not Marxists . . . but it was a question of what interpretation they would give to their own Marxism . . . .<sup>116</sup>

Four additional persons--Trusler Johnson, Chief of Mission in China during the years 1930-1941; Philip Sprouse, who had been Third Secretary of the Chungking Embassy from 1942 to 1944; Col. Frank Dorn, Chief of Staff of the forces in Yen-an province during the late war period; and Robert Warren Barnett, who had served in the Military Intelligence Service under Chennault--appeared briefly before the board. All of them were old acquaintances of Service and had worked with him in China, and all attested to his absolute loyalty.<sup>117</sup>

Affidavits and letters in the officer's defense were also presented to the board. Col. David D. Barrett, who had

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<sup>115</sup>Ibid., 2126.

<sup>116</sup>Ibid.

<sup>117</sup>Ibid., 2058-62, 2175-9, 2162-7, 2136-40.

been head of the observer mission, stated that he had always considered Service "highly security-conscious and intensely loyal" to the United States.<sup>118</sup> Although he admitted that the officer

like myself and some others serving in China at that time was deceived to some extent by the Chinese Communist advocacy of agrarian reform, by careful soft-pedaling of their adherence to Marxian doctrine, by ardent professions of support of democratic ideals and undying friendship for the United States, and by other plays intended to gain United States support,<sup>119</sup>

he stressed that Service's reports contained no tinge of disloyalty or desire to hurt America.<sup>120</sup>

Theodore White gave a quite different evaluation of Service's understanding of the Chinese Communists. He declared that the young diplomat was

never carried away by the then prevalent sweetness-and-light theory of the Chinese Communists. He saw them as hard, cold men, vigorously seeking power. He saw them as more able, less corrupt, more shrewd, fundamentally stronger men than Chiang Kai-shek.<sup>121</sup>

Arthur Grafton, another "Old China Hand" and a member of the intelligence division in China during the war, praised both Davies and Service whom he had known since they were small boys in China.<sup>122</sup> Expressing his belief in the complete

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<sup>118</sup>Ibid., 2136.

<sup>119</sup>Ibid.

<sup>120</sup>Ibid.

<sup>121</sup>Ibid., 2145.

<sup>122</sup>Ibid., 2133.

loyalty of Service, he asserted that the officer was "singularly well-trained by background and experience to understand the reactions and probable attitudes of the Chinese people."<sup>123</sup> He then explained that in the

face of the almost complete frustration in which we were subjected by reason of the tactics of the Chinese Government, it was probably impossible for anyone to remain completely objective in reporting on the Chinese, but within this general limitation,<sup>124</sup>

Grafton believed that "Jack's reporting was the kind of objective, accurate, and searching analysis of the existing situation that was most sorely needed."<sup>125</sup>

Colonel Paul L. Jones, who had been Theater Public Relations Officer under General Stilwell, was equally complimentary of Davies and Service. He described some of the duties assigned to these men by the General, thereby substantiating Service's testimony. He also verified that the officers never had any extensive knowledge of military plans and could not, therefore, have revealed them to the Communists. In conclusion, he expressed his feeling that it was tragic that such men

should be maligned from some quarters of our Government because they were intelligent enough to understand and warn our Government of what was coming in Asia. Had we heeded their warning, the condition in China in my opinion need not be what it is today. It is irony that these men are being blamed, in part, for the situation

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<sup>123</sup>Ibid., 2134-5.

<sup>124</sup>Ibid., 2134.

<sup>125</sup>Ibid.



they predicted. It seems odd to me that we expect our public people to do the best job they know how for our country and then we blame them when they do. Won't such treatment make it impossible to get good people in the Government in the future?<sup>126</sup>

A number of additional people who had served with Service in China sent supporting statements. Among these were the correspondents, Eric Sevareid and Brooks Atkinson, and the scholars, John K. Fairbank, Knight Biggerstaff, and Phillips Talbot, each of whom expressed confidence in the officer's patriotism and praised his ability.<sup>127</sup>

The board next considered other documents submitted on Service's behalf. One of these was an efficiency report by Gauss, dated August 1, 1942, which described the diplomat as one of the "most able of the younger officers of the service; head and shoulders over most of his colleagues,"<sup>128</sup> and gave him the rating of excellent.<sup>129</sup> Four letters from the Department of State, written for the Secretary, during the years 1942-1945, lauded the quality of Service's reports, assigning several of them the grade of excellent.<sup>130</sup> The letter of June 21, 1944, stated that the "timeliness and high standard of Mr. Service's reporting continues to be a cause of satisfaction to the Department."<sup>131</sup>

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<sup>126</sup>Ibid., 2102.

<sup>128</sup>Ibid., 2068.

<sup>130</sup>Ibid., 2475-7.

<sup>127</sup>Ibid., 2141-8.

<sup>129</sup>Ibid.

<sup>131</sup>Ibid., 2476.

A letter of commendation from General Wedemeyer to the Secretary of State, dated May 10, 1945, was also included. Praising the young officer for his "outstanding service,"<sup>132</sup> he pointed out that Service was influential in the establishment of the military observer group in Yen-an. While the young diplomat was with this group, his

thorough knowledge of Chinese customs and language enabled him to develop and maintain cordial relations with . . . Communist leaders. During his extended residence in Yen-an he wrote a great number of detailed reports on military, economic, and political conditions in areas under Communist control, a field in which the American Government had previously had almost no reliable information. He prepared valuable analyses of the political situation . . . .<sup>133</sup>

Following this phase of the inquiry, the board devoted considerable time to the Amerasia case. After a few initial questions, Service's attorney requested permission to include in the transcript Part Two of his client's personal statement. This was a brief summary of the officer's involvement in the case--his relationship with the various participants, his arrest, and his appearance before the grand jury.<sup>134</sup>

The interrogation by the board covered two broad topics--what documents Service had given to Jaffe and his association with the subjects of the case. The officer, who acknowledged in his statement loaning the journalist

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<sup>132</sup>Ibid., 2477.

<sup>133</sup>Ibid.

<sup>134</sup>For a complete discussion of this see Chapter IX, 311-6.

approximately eight or ten of his reports,<sup>135</sup> was shown a number of them and requested to identify which ones he gave or showed to Jaffe. He was only able to recognize a few. Asked if he loaned the editor any other classified government documents, Service immediately responded that he "never gave or showed Mr. Jaffe any classified Government documents. I never showed him at any time any dispatch, telegram, or memoranda prepared . . . by anyone other than myself."<sup>136</sup>

During the discussion, it was again demonstrated that most of the documents which the editor had in his possession were ozalid copies. The young diplomat not only avowed that he never had given such copies to Jaffe but that he never had copies of such a type.<sup>137</sup> He also emphasized that the copies he had showed the journalist were his own personal ones. This initiated the subject of Service's informal classification system, which he explained to the board.

The rating of the classification was based on such criteria as the need of protecting his sources and whether America's allies or other government agencies should know the information.<sup>138</sup> He noted that often the data needed to be considered confidential only for a short time--until the

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<sup>135</sup>Ibid., 2235.

<sup>137</sup>Ibid., 2270-1, 2389.

<sup>136</sup>Ibid., 2296.

<sup>138</sup>Ibid., 1968.

event took place, if it was about a future development, or after it became generally known. The officer also pointed out that he did not know what classification his reports were given by the Army and the Embassy after they received them,<sup>139</sup> adding that he later learned there were many instances in which his personal classification was raised by the department or agency which received a copy.<sup>140</sup>

In response to questioning, Service gave an in depth review of his contacts with the other participants in the case. The board was especially interested in his knowledge of the political ideologies of Jaffe. He testified that he had been unaware of the editor's ideological orientation when he first met him in April, 1945, and he had not inquired about it until the end of April or early May, by which time he had already allowed Jaffe to see his reports. The officer had made inquiries then only because he was perplexed by the editor's rather aggressive, nosy manner, "and I asked somebody, I'm not sure who it was, about Jaffe. And they said he was not a good guy to be around too much, or something of that sort."<sup>141</sup> His conception of this information was, however, that it "wasn't anything very definite or positive," and that the person to whom he spoke "had pretty much the

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<sup>139</sup>Ibid.

<sup>140</sup>Ibid., 2009.

<sup>141</sup>Ibid., 2315.

impression that I had at the time of Jaffe, that he was a nosy guy and over-aggressive . . . ."142 Later during his testimony, Service recalled that he had asked Lt. Roth on April 20 about the editor's political sympathies, and Roth had told him that Jaffe was a left-winger but not a member of the Communist party.<sup>143</sup>

In further defense of himself, the diplomat pointed out that the editor's relationship with Amerasia had been the key to his credibility, as the journal was regarded as reputable at that time. He had never suspected that Jaffe had possession of government documents or of more information than was generally made available to writers at that time.<sup>144</sup> Noting again that it was very common for Foreign Service Officers to give background information to the press on their return to the United States, Service added that he had never been given instructions by the State Department as to his contacts with the news media and he had never been criticized or reprimanded in any way concerning his relations with the press prior to his arrest in June, 1945.<sup>145</sup>

The board was also very interested, as had been the Senate Foreign Relations Committee, in the diplomat's conversation with the editor on May 8, 1945, in which Service had made

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<sup>142</sup>Ibid., 2316.

<sup>144</sup>Ibid., 2462.

<sup>143</sup>Ibid., 2323.

<sup>145</sup>Ibid., 2390.

reference to secret military plans. Although the board had been unable to secure a transcript of the dialogue,<sup>146</sup> the information it possessed indicated that the officer had told Jaffe that a plan had been prepared by Wedemeyer's staff recommending if American troops landed on the Chinese coast they should cooperate with any Chinese forces that would be able to assist them.<sup>147</sup> Service's response to the questioning was similar to that which he gave the Tydings Committee. Although he could not recall the conversation, he remembered that staff officers in China had talked to him about the subject. He might, therefore, have mentioned his thinking on the matter to the editor. Quizzed if such information was common knowledge among newspapermen in China during that time, the officer replied yes.<sup>148</sup>

He was then asked to explain why he had cautioned Jaffe that what he was telling him was very secret. Service answered that it was customary in discussing background material with a writer to caution him that the information was something that he could not publish. The connotation was that the data had been given in secrecy or confidence, not that the actual information was secret.<sup>149</sup> As the discussion

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<sup>146</sup>It was not released to the Senate committee until after these proceedings were concluded.

<sup>147</sup>Ibid., 2457.

<sup>148</sup>Ibid., 2459.

<sup>149</sup>Ibid.

continued, it was also clarified that the diplomat had not been involved in military planning and had no specific knowledge of that or any military plan.<sup>150</sup>

A number of persons were called to testify concerning the case--some by the board and others by the officer.

Emmanuel E. Larsen appeared at the request of the board.<sup>151</sup>

Since the former State Department employee had admitted giving Jaffe some documents written by Service, he was shown about forty of the officer's reports which had been found in the editor's possession. Of these, Larsen identified perhaps three which he had given Jaffe and three or four which he might have shown to him.<sup>152</sup> These memoranda were on various topics, and Larsen also recalled that he had given to the editor copies of six or eight of the diplomat's Yenau reports.<sup>153</sup>

Asked if he could explain how the additional dispatches prepared by Service came into the possession of Jaffe, he indicated that he had a theory about it. From conversations with the editor, he had deduced that Jaffe had a number of contacts who might have provided copies of State Department documents. He felt that Lt. Roth was one of the most likely

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<sup>150</sup>Ibid., 2459-61.

<sup>151</sup>His testimony also resembled that given before the Senate Foreign Relations Committee.

<sup>152</sup>Ibid., 2197.

<sup>153</sup>Ibid.

because he and the editor were close friends and Roth had access to the diplomat's memoranda in the Office of Naval Intelligence.<sup>154</sup>

As the former State Department employee concluded his testimony, he asserted that he did not believe the charges against Service. He admitted that he had previously believed that the officer was "against" him because of the "very poisonous talk that was poured into . . . [his] ear."<sup>155</sup> As a result of this, he had "been extremely unfair," and "said many careless things that I should not have said . . . ."<sup>156</sup> Although Service's reports seemed to him "slanted in favor of the Communists and strongly against Chiang Kai-shek," he realized he could not "certify that was not realistic reporting" since he had not been in the field.<sup>157</sup> Larsen then declared that he did "not believe that Mr. Service is a Communist and I never believed he was a Communist."<sup>158</sup>

A. Sabin Chase, Deputy Chief of the Division of China Affairs in 1945, was queried regarding the career officer's access to State Department documents, especially ozalid copies. He testified that he would have noticed and remembered if Service had been a frequent visitor to the files or had taken a large number of documents from the files, but he did

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<sup>154</sup>Ibid., 2197-8.

<sup>155</sup>Ibid., 2283.

<sup>156</sup>Ibid.

<sup>157</sup>Ibid., 2283.

<sup>158</sup>Ibid.



not.<sup>159</sup> Chase was also questioned about the diplomat's assertion in his statement that he had brought Jaffe into the Deputy Chief to obtain a copy of a report and Chase had given it to the editor.<sup>160</sup> The Deputy Chief stated that he could not recall such an incident, but added that he had "respect for Mr. Service's integrity and if he remembers it clearly I would think it must have occurred."<sup>161</sup>

Two key questions were frequently asked of the others who testified. One concerned the practice of giving information to press correspondents since the Foreign Service Officer had indicated that it was commonly done. Gauss and Davies attested to its practice in China,<sup>162</sup> and Colonel Jones substantiated this in his affidavit. As Theater Public Relations Officer for Stilwell, he avowed that it had been the General's belief that the American public should know the truth, as long as it did not cost the lives of soldiers or delay the war. Consequently, American correspondents, who had been cleared by the War Department Bureau of Public Relations prior to coming to the theater, had been given much material that was classified so that they could understand and write intelligently about problems in Asia.<sup>163</sup> He

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<sup>159</sup>Ibid., 2374-7.

<sup>160</sup>For a more complete discussion see Chapter IX, 313-4.

<sup>161</sup>Ibid., 2377.

<sup>162</sup>Ibid., 2070, 2097, 2441.

<sup>163</sup>Ibid., 2101.

additionally explained that most of the information had been classified only because it was politically objectionable to the Chinese.<sup>164</sup> Grafton, who had been an intelligence officer during the war, acknowledged that there was a very wide range of disclosure to accredited correspondents of the American press in most operating theaters. This policy was initiated from the very top and was highly encouraged.<sup>165</sup>

Various officials of the Department of State called specifically to testify on the same procedure in the United States presented opposing viewpoints. Joseph W. Ballantine, who had served briefly in the spring of 1945 as Director of the Office of Far Eastern Affairs expressed doubt that background information given to correspondents included classified material or data which could not be published.<sup>166</sup> Michael J. McDermott, who was Special Assistant to the Secretary of State for Public Relations and had been for twenty-eight years, disagreed with this position. He not only explained that material from classified documents could be disclosed to the press although the entire content could not be, but that correspondents were frequently given data and told that they could not divulge the source.<sup>167</sup> He also verified that it was not unusual for the press to contact Foreign Service Officers, and the Department placed absolute dependence "on

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<sup>164</sup>Ibid.

<sup>166</sup>Ibid., 2379.

<sup>165</sup>Ibid., 2135.

<sup>167</sup>Ibid., 2380-1.

the good judgment of our officers" as to how to handle the matter.<sup>168</sup> Thomas D. Blake, who had served in the Press Relations Division of the State Department during the war, substantiated this, avowing that it had been regular practice for officers of the Department to talk to correspondents, and the range of the materials that could be appropriately discussed was left to the discretion of the officer involved.<sup>169</sup>

Several newspapermen, James Reston of the New York Times, Joseph Harsch of the Christian Science Monitor, and Brooks Atkinson of the New York Times, added further verification. They testified that it was common for classified information to be discussed with members of the press. They were not to publish it, but it was to give them essential background material.<sup>170</sup>

The board also attempted to determine if Jaffe and Service were in communication while the officer was in China. Colonel Dorn and Lt. Colonel Dickey both testified that it would have been virtually impossible for Service to have sent documents to the editor or anyone because of the many inspections and the extremely complex process of transportation.<sup>171</sup> To make it even less likely was the fact that the career diplomat had not had access to the Embassy files, as both he

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<sup>168</sup>Ibid., 2382.

<sup>169</sup>Ibid., 2437.

<sup>170</sup>Ibid., 2441, 2444, 2422.

<sup>171</sup>Ibid., 2164-5, 2171.

and Gauss noted, or had any extensive knowledge of military plans, as Colonel Jones attested.<sup>172</sup>

The last phase of the hearings dealt with Service's assignment in Japan. The board spent only a brief time on this aspect, apparently regarding the charges as minor. Part Three of the officer's personal statement, which was also very short, was introduced into the record. Service and four witnesses then denied that he had had close contact with Japanese Communists and that he had taken an extremely favorable view toward them.<sup>173</sup> Several affidavits were also introduced providing further verification.<sup>174</sup>

This concluded the inquiry, but the board decided to withhold final decision until a rumor from the Far East relating to the officer's record could be checked and the transcript of the Senate Foreign Relations Committee investigation could be reviewed. The opinion was finally issued on October 6, 1950.

The various China charges against Service were listed and refuted. In response to the allegation that the officer was disloyal or insubordinate to Hurley, it was noted that Service could "not have been guilty of insubordination to Ambassador Hurley, for he was at no time his subordinate; he acted at all times strictly in accordance with the orders of

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<sup>172</sup>Ibid., 2102.

<sup>173</sup>Ibid., 2386-7, 2396-7, 2413-4.

<sup>174</sup>Ibid., 2393-4, 2415-6.

his proper commanding officers, to whom his services were apparently satisfactory."<sup>175</sup>

Two additional accusations were:

(1) The diplomat "was disloyal to American policy with respect to China, as that policy was represented by Ambassador Hurley, in that Mr. Service was critical of the Chinese Nationalist Government of Chiang Kai-shek and favorably disposed towards the Chinese Communists; that he favored arming and collaborating with the Communist forces; and that he favored stopping United States assistance to Chiang Kai-shek and extending it to the Communists, and believed that Communist participation in the Government was the only hope for a stable democratic and independent Chinese Government."<sup>176</sup>

(2) Service "was sympathetic with Communism and working in the interest of the Communist Party."<sup>177</sup>

The board considered these two charges together since both were based upon the reports submitted by the officer.

Declaring that there "was nothing covert or secret, so far as American authorities in China or elsewhere were concerned, about Mr. Service's observations, conclusions and recommendations with regard to Chinese affairs from 1942 to 1945," the board explained that his memoranda were prepared in quadruplicate--"the original for Army Headquarters, and one copy for his immediate superior, Mr. John P. Davies, one for the Embassy, and one for his own files."<sup>178</sup>

It was then noted that it was necessary for these

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<sup>175</sup>"Opinion of the Loyalty Security Board," October 6, 1950, Institute of Pacific Relations, XIII, 4839.

<sup>176</sup>Ibid.

<sup>177</sup>Ibid.

<sup>178</sup>Ibid.

reports to be assessed "against the background of 1944-1945 rather than that of 1950."<sup>179</sup> In light of this, the board found the diplomat's memoranda "objective, and extraordinarily accurate as political forecasts of what was to come. It finds no indications that they misstated any fact or reported anything other than his best judgment candidly stated."<sup>180</sup>

Expressing the opinion that the "difference between Ambassador Hurley on the one hand and Mr. Service, General Stilwell and the staff of the Embassy at Chungking on the other hand," concerned the means rather than the ultimate objectives, the board members explained that it was not necessary for them to make a decision as to who was right.<sup>181</sup> The issue was whether the views expressed by the young officer constituted disloyalty to American policy, and there was no indication of such.<sup>182</sup> Rather, the board found that "he was properly stating to his superiors the conclusions at which he had honestly arrived as a result of his personal observations . . . and recommending a change in policy which he believed essential in the national interest."<sup>183</sup> The board also asserted that it was in hearty accord with both James F. Byrnes and George F. Kennan who had stated that they would

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<sup>179</sup>Ibid., 4840.

<sup>181</sup>Ibid.

<sup>183</sup>Ibid.

<sup>180</sup>Ibid.

<sup>182</sup>Ibid.

be very concerned if policy recommendation contrary to the policy that was adopted by the government came to be regarded as a sign of disloyalty.<sup>184</sup>

With respect to the allegation that Service was sympathetic with Communism, the board found "nowhere in his reports any sympathy for Russian or for world Communism, but only a clearly expressed fear that the policy of the Chinese Nationalist Government, and of the United States Government as a supporter of Chiang Kai-shek alone, was headed for a major disaster that would throw all of China into the hands of the Soviet Union."<sup>185</sup> The board members acknowledged that Kennan's testimony had been especially influential in their evaluation of the reports and the formulation of the opinion that Service "was neither a Communist nor a pro-Communist."<sup>186</sup>

The last charge relating to China was that at least one of the officer's memoranda was circulated among the Chinese Communists and that the Communists were advised that Hurley's policies were not those of the United States. To this, the board asserted that "no evidence was presented to support this charge and the board finds no basis for it."<sup>187</sup>

Regarding the Amerasia case, it was acknowledged that Service committed two serious indiscretions. The first "was

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<sup>184</sup>Ibid., 4840-1.

<sup>186</sup>Ibid.

<sup>185</sup>Ibid., 4841.

<sup>187</sup>Ibid.

to communicate any classified information at all to Mr. Jaffe without checking on his reputation."<sup>188</sup> The second, which was also a breach of regulations, "was to allow Mr. Jaffe to take possession, for however short a time, of classified documents."<sup>189</sup> The board took note of the fact, however, that the officer only gave the editor, whom he assumed to be reputable, the "same sort of 'background information' that he had been accustomed to give to newspaper men in China"--data which could not be considered harmful to national security.<sup>190</sup> Consequently, the board "cannot find Mr. Service disloyal to the United States on the basis of his loan of these documents to Mr. Jaffe."<sup>191</sup>

Concerning the F.B.I. information that the officer discussed secret military plans with the editor, the hearings had revealed that Service "was not in possession, nor advised of the contents of, any classified documents regarding military plans;" in fact, he "was not advised of any secret information at all concerning the military plans of the United States . . . ."<sup>192</sup> The diplomat could not, therefore,

have been guilty of disclosing secret information as alleged, for he had none. It is to be noted that oral information of the sort mentioned does not, like a document, bear on its face its classification, and that it is a mark of prudence, rather than the opposite, for a government official in the discussion of military

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<sup>188</sup>Ibid., 4843.

<sup>189</sup>Ibid.

<sup>190</sup>Ibid.

<sup>191</sup>Ibid.

<sup>192</sup>Ibid.



speculations with the press in wartime, to refer to the subject matter as secret or confidential, in order that no conclusions may be attributed by the press to government sources. The Board does not find any indiscretion on the part of Mr. Service in this issue.<sup>193</sup>

The board then noted that there was no evidence of any indiscretion since the Amerasia case, expressing the opinion that it had made the diplomat "more than normally security conscious."<sup>194</sup>

The final aspect of the case, which related to Service's tour of duty in Japan, was quickly disposed of by the board. It asserted that "no evidence was presented to the effect" that the officer consorted with Japanese Communists or that he was sympathetic with Communism.<sup>195</sup>

On the basis of the "extended, careful, and earnest attention," it had given the case, the board thereby concluded that

reasonable grounds do not exist for belief that John Stewart Service is disloyal to the Government of the United States. The Board further concludes that, notwithstanding a single serious indiscretion in the handling of classified information, he does not constitute a security risk to the Department of State.<sup>196</sup>

For the seventh time an investigating agency of the Department of State had decided that charges against the officer were unfounded. His case still had to be reviewed, though, by the Civil Service Commission's Loyalty Review

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<sup>193</sup>Ibid., 4843-4.

<sup>195</sup>Ibid.

<sup>194</sup>Ibid., 4844.

<sup>196</sup>Ibid.

Board, the government's top loyalty agency.<sup>197</sup> While waiting for its decision, Service, although nominally cleared of all allegations, was assigned to the Office of Operating Facilities, which was in charge of distributing office supplies in the Department of State, rather than being allowed to go to his new post as Consul-General in India, to which he had been assigned just prior to his recall in 1950.<sup>198</sup> His case was still pending before the Loyalty Review Board when another investigation began which once more brought the old charges against the Foreign Service Officers into the public eye.

This new inquiry resulted partially from the failure of the Senate Foreign Relations Committee hearings to calm both Congressional and public suspicions. Some have attributed this failure to Tydings, who was so "anxious to bring the whole affair to a close as soon as possible, well in advance of the election, that he had no inclination to launch any orderly, penetrating, and far-reaching investigation . . . ." <sup>199</sup> This permitted McCarthy to maintain the initiative and gave the inquiry the appearance of being disorganized, half-hearted, and inconclusive.<sup>200</sup> On the other

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<sup>197</sup>New York Times, March 4, 1951, 52:4.

<sup>198</sup>Ibid., May 2, 1951, 21:4.

<sup>199</sup>Westerfield, 376.

<sup>200</sup>Ibid.

hand, the intensity of public fear and distrust made it virtually impossible for the Democrats to deal effectively with the allegations as Democratic protests of their inherent incredibility only made Republican protests of a "whitewash" sound more plausible.

The Republicans were willing to take advantage of every weakness of the administration. They were more than ever convinced, as a result of their success at the polls in 1950, that attack on Democratic foreign policies was politically profitable. Continuing difficulties in the area of international relations, especially the Korean War, further permitted the Grand Old Party to enlarge its onslaught in scope and magnitude.

Despite a brief flush of bi-partisan support and unity for Truman's decision to assist the South Koreans, it soon became evident that the administration had lost the initiative in the formulation of foreign policy. The war greatly strengthened the Republicans in general and the pro-Chiang bloc in Congress in particular. It also provided a vehicle by which the China Lobby could more effectively reach the minds of the American people.<sup>201</sup> The recall of General Douglas MacArthur from his post of command in the Far East offered an even better opportunity to both the anti-administration and pro-Chiang forces who were by now

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<sup>201</sup>Koen, 233.

cooperating more closely.

## CHAPTER XIII

### THE MACARTHUR HEARINGS

MacArthur's dismissal in early April, 1951, brought a tremendous groundswell of public sentiment, and the Republicans were not slow to exploit it. Highly regarded by most Americans, the General was especially popular with conservatives and those disturbed by the dominant trends in national life. He had always been held in special esteem by Republicans, and his martyrdom by a Democrat president now gave him even greater prestige.

Most Americans read the news of Truman's decision at the breakfast table on April 11, and by 10 a.m., the Republican leadership of Congress was holding a meeting which resulted in a public statement calling for a Congressional investigation of foreign and military policy "in the light of the latest tragic developments . . . ."<sup>1</sup> The press release also asserted that MacArthur should be invited to present his views to Congress.

Spokesmen for the party later introduced resolutions

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<sup>1</sup>Congressional Record, 82nd Cong., 1st sess., XCVII, Part 3, 3675.

in each house to that effect. Minority Leader Wherry proposed Senate Concurrent Resolution 24 stating that the dismissal of General MacArthur had "precipitated a situation fraught with danger to the national unity."<sup>2</sup> The Senator's resolution, which was permeated with praise for the General, talked of his unsurpassed knowledge of conditions in Asia and called for the use of this knowledge in determining a sound defense policy. MacArthur should, therefore, be "invited to present his views and recommendations for policies and courses in Korea and Asia generally to a joint session of the Senate and House of Representatives."<sup>3</sup> Wherry noted that the General had already been contacted, and that he would "consider it an honor" to accept such an invitation.<sup>4</sup>

Joseph W. Martin, Jr. of Massachusetts, Republican House leader, introduced a similar proposal.<sup>5</sup> Both resolutions generated an emotional response in their respective houses of Congress, and during succeeding days, additional statements of protest against the President's action were voiced. There was also increasing evidence that a Congressional investigation of some type was going to result.

On April 13, the Senate Armed Services Committee, acting on a prior request of Senator Bridges, voted

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<sup>2</sup>Ibid., 3608.

<sup>3</sup>Ibid.

<sup>4</sup>Ibid., 3609.

<sup>5</sup>This was House Concurrent Resolution 91. Ibid., 3708.

unanimously (of those present) in executive session to conduct an inquiry into the facts surrounding the relief of MacArthur. The committee also communicated with the General indicating its desire to hear him testify.<sup>6</sup> Four days later, Senator Ferguson introduced Senate Concurrent Resolution 25, the purpose of which was to set up a joint bipartisan committee of twenty-four members of the Senate and House

to gather such data, to conduct such interviews, to take such testimony, and to hold such hearings as it may determine necessary for a complete evaluation of the United States policies in the Far East and their relation to the foreign and military policies of the United States as a whole . . . .<sup>7</sup>

Immediately after Ferguson made his proposal, Senator Richard Russell, Democrat from Georgia and Chairman of the Armed Services Committee, asserted that the Senate Committee on Armed Services "which I should think . . . has primary jurisdiction in this field," has already held a meeting on the subject.<sup>8</sup> Explaining that the committee had already unanimously agreed that it "should conduct an inquiry into all the facts and circumstances surrounding the recent events in the Far East that have stirred the American people so deeply."<sup>9</sup> He added that pursuant to that unanimous agreement

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<sup>6</sup>Ibid., Part 4, 4539.

<sup>7</sup>Ibid., Part 13, 3945.

<sup>8</sup>Ibid., 3946.

<sup>9</sup>Ibid.

he had "communicated with General MacArthur and requested his appearance before the Committee. The General has accepted the invitation, although the time and place of the meeting have not yet been designated."<sup>10</sup>

The Georgia Democrat also noted that the Chairman of the Foreign Relations Committee, Senator Connally, had called him that morning and suggested that there be a joint meeting of the two committees on this subject, with Russell presiding since his committee had inaugurated the inquiry. Russell indicated that he would take up the request with the Armed Services Committee.

He explained further that his committee had already requested the presence of the Secretary of Defense before it on the following day, April 18, but in view of the fact that General MacArthur was to appear on the 19th and that "complications had arisen through the submission of the concurrent resolution of the Senator from Michigan,"<sup>11</sup> he would postpone Secretary Marshall's testimony.

After considerable discussion and questioning directed to Russell as to what would be the scope of the inquiry, Senator Ferguson interjected that the purpose of his resolution was to "broaden the base of the investigation so that the people back home would know that the subject had been

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<sup>10</sup>Ibid.

<sup>11</sup>Ibid.



gone into thoroughly by a fully representative committee of the legislative branch, specifically created for the purpose . . . ."<sup>12</sup> As the debate continued, Ferguson ultimately asked that his resolution be tabled, and his motion was approved.<sup>13</sup>

At 12:30 p.m. on April 19, General Douglas MacArthur entered the chambers of the House to address a joint session of Congress. The Senators and Representatives and the packed galleries applauded him wildly. Thirty times during his emotional speech, the hall broke into fervid clapping, and when he concluded his address a tumult of applause erupted. Millions of Americans who had been viewing the General's appearance on their television screens were in an equal state of frenzy.<sup>14</sup>

This speech guaranteed that a Congressional investigation would be held--and soon. On April 25, Senator Russell indicated to the Senate that MacArthur had accepted the Senate Armed Services Committee's invitation to appear on May 3 and that the Senate Foreign Relations Committee had also requested permission to meet in joint session. The Georgia Democrat then asked the unanimous consent of the Senate for the purpose of holding a joint meeting on that day as well as subsequent ones. Consent was granted.<sup>15</sup>

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<sup>12</sup>Ibid., 3948.

<sup>13</sup>Ibid., 3951.

<sup>14</sup>Goldman, 205-6.

<sup>15</sup>Congressional Record, 82nd Cong., 1st sess., XCVII, Part 3, 4321.

Five days later, on the 30th, the joint committee met and after considerable debate decided to hold the proposed hearings in executive session. The following day, Senator Russell asked unanimous consent that the Committees of Armed Services and Foreign Relations be "constituted a committee of the Senate with all powers conferred upon standing committees . . . ,"<sup>16</sup> and the Senate granted the request.

While these discussions were transpiring in the Senate, an important development had occurred in the federal loyalty and security program. Early in the year, the Loyalty Review Board had asked President Truman to change the standard for denial of employment in the belief that the 1947 loyalty order "made it too difficult for the government to rid itself of employees in certain borderline cases . . . ."<sup>17</sup>

With popular distrust of public servants already at a high pitch, the MacArthur controversy further rocked the nation's faith in government. In this milieu, it was not surprising that Truman decided to tighten the security standards. On April 28, he issued Executive Order 10241 which modified the old standard and substituted the criteria to provide for discharge if "on the evidence, there is a

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<sup>16</sup>Ibid., Part 4, 4561.

<sup>17</sup>Congress and the Nation, 1664.

reasonable doubt as to the loyalty of the person involved."<sup>18</sup> This was a subtle but significant change from the 1947 order which specified reasonable grounds for disbelief in loyalty. This modification would further set the stage for the soon to begin inquiry.

With the nation still "on a great emotional binge . . . ,"<sup>19</sup> the Congressional investigation began May 3. A sense of tension was apparent throughout the hearings which ranged over all aspects of America's Asian policy from World War II through the Korean conflict, including the activities of the Foreign Service Officers. This development gave Senator McCarthy greatly increased power, encouraging more boldness and recklessness on his part. It also at last gave a public forum to Hurley as he was asked to testify before the joint committee.

The major testimony was presented by General MacArthur, Secretary of Defense Marshall, Secretary of State Acheson, and General Wedemeyer. The first two of these witnesses, who were also the first to appear, did not refer to Davies or Service. Acheson was questioned, though, about these two officers.

Asserting that dispatches by Davies and Service seemed to argue that the United States was making a mistake

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<sup>18</sup>Ibid.

<sup>19</sup>Goldman, 207.

in supporting the Nationalist government and instead should be giving more support to the Communists, who were merely agrarian reformers, Senator H. Alexander Smith, Republican from New Jersey, asked when this change of opinion among State Department personnel occurred. Secretary Acheson replied that "in his judgment," the Senator had

not accurately described the thinking of any of our State Department people. It was not a question in their mind of supporting the Chinese Communists and not supporting the Generalissimo. What they were interested in, and what General Hurley was interested in, was in trying to get the forces of both the Communists and the Nationalists directed against the Japanese and not directed against each other.<sup>20</sup>

Continuing his answer, Acheson pointed out that he did "not know of any State Department people . . . who thought that the Communists were merely agrarian reformers. They understood they were Communists. and in these reports that you [Senator Smith] have referred to you will see several [ ]ral times that they refer to their [the Communists] Moscow training and their Marxist rigidity."<sup>21</sup> In further defense of the Foreign Service Officers, the Secretary cited the former Ambassador's statement in which he had declared: "the Communists are not in fact Communists, they are striving for democratic principles . . . ." <sup>22</sup>

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<sup>20</sup> Military Situation, III, 1873.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid. This comment came from Relations with China,

Senator Smith responded that since Acheson had quoted from Hurley, he would like to also. He then cited the former Ambassador's letter of resignation in which Hurley had asserted that American policy in China did not have the support of State Department career men, who instead had sided with the Chinese Communists. The Secretary of State commented that the Senate Foreign Relations Committee had conducted hearings on the former Ambassador's charges in December, 1945. As a result of this thorough investigation, the conclusion "was put forward . . . that General Hurley was mistaken in what he said."<sup>23</sup>

When Acheson completed his lengthy appearance, General Wedemeyer followed him to the witness stand. Although much of his testimony during his three days before the joint committee concerned his post-war assignments, the General discussed in detail certain aspects of his mission to China. The Senators were especially interested in Wedemeyer's opinion of the advisers assigned to him.

Referring to the former Ambassador's letter of resignation, Senator Smith requested information about the State Department personnel in China. The General replied that when he took command of the China-Burma-India theater, he

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<sup>23</sup>Military Situation, III, 1875.

"inherited" four advisers. They were "professional State Department men. They all looked like caliber men to me-- intelligent, very cooperative."<sup>24</sup> He also noted that he later learned that Stilwell "had great confidence in them."<sup>25</sup> Concerning their work for Wedemeyer, the advisers "submitted to me memoranda--memoranda based on their observations and their experiences as they travelled around in the China area. Invariably those statements which they submitted to me were very critical of the Nationalist government and they were rather praising of the Communist regime."<sup>26</sup> Adding that he would not say the Foreign Service Officers were "Pinko, or were communists, just because they criticized the Nationalist government or said good things about the Communists in China,"<sup>27</sup> he pointed out that if anyone had visited "the Communist area and compared it to the chaos that existed in other parts of China," he would have been "more than favorably impressed with the developments in Yenan . . . ."<sup>28</sup>

The General further acknowledged that he had never questioned the loyalty of these men. He had been concerned, however, when Hurley reported to him "that they were sending reports in that he [Hurley] did not see."<sup>29</sup> Wedemeyer testified that it had apparently been the custom when he arrived

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<sup>24</sup>Ibid., 2401.

<sup>26</sup>Ibid.

<sup>28</sup>Ibid.

<sup>25</sup>Ibid.

<sup>27</sup>Ibid., 2422.

<sup>29</sup>Ibid.

in China for the advisers' memoranda to go through military rather than diplomatic channels, but because of the "distrust" which was resulting from this, the General requested that a copy of all communications which the Foreign Service Officers prepared for him also be sent to the Embassy.<sup>30</sup>

He concluded his answer to Smith's inquiry by explaining that the former Ambassador had made arrangements in February, 1945, for these men to be transferred from Wedemeyer's staff and returned to Hurley's authority. Subsequently, any political or diplomatic advice he received came from the Ambassador.<sup>31</sup> He had not, therefore, had the Foreign Service Officers under his charge for long.

Additional questions concerning the General's advisers were posed, primarily by the Republican committee members, during his appearance; Wedemeyer's answers varied only slightly from those given the first time. When Bourke B. Hickenlooper, Republican Senator from Iowa, later asked the General if these men "had an attitude which appeared to be one of undermining or disparagement of Chiang Kai-shek and the Nationalist government of China, coupled with an at least

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<sup>30</sup>Ibid. For similar comments see Ibid., 2514. A copy of the memoranda prepared by the Foreign Service Officers assigned to the Commanding General were always sent to the Chungking Embassy. See "Opinion of the Loyalty Security Board," Institute of Pacific Relations, XIII, 4839.

<sup>31</sup>Military Situation, III, 2422.

seeming support or advocacy of the Communist movement . . . ,"<sup>32</sup> Wedemeyer replied that he could give direct information. He then reiterated that he had received from the Foreign Service Officers "written memoranda and oral reports indicating or embodying disparagement against the Central Government."<sup>33</sup>

Shortly after this phase of the questioning, Senator Richard B. Russell, a Georgia Democrat and Chairman of the Armed Services Committee as well as Chairman of the Joint Committee, inquired if the General had seen anything or learned anything about his advisers "during the time of your association with them that would lead you to believe that they were Communists or fellow travellers . . . ?"<sup>34</sup>

Wedemeyer's immediate response was: "No, sir; quite the contrary. I thought they were very keen, fine men, very affable and intelligent men."<sup>35</sup> He asserted that what he had earlier testified to was the content of their reports.

When Russell asked if the men were any more critical of the Nationalist government than the General had been at times, Wedemeyer readily replied that he did not think so.<sup>36</sup> He also admitted that he too had praised the Communists

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<sup>32</sup>Ibid., 2496.

<sup>33</sup>Ibid.

<sup>34</sup>Ibid., 2523.

<sup>35</sup>Ibid.

<sup>36</sup>Ibid., 2524.



regarding their military efforts.<sup>37</sup>

Republican Senator Wayne Morse of Oregon further quizzed the General whether his advisers gave the impression

that ideologically they were sympathetic with the doctrine of communism . . . or, did they simply give you the impression that in view of conditions as they existed in China, they were so critical of Chiang, and some of his policies, that they thought under those circumstances, that the Communists were doing a better job, or the Communists should be encouraged, or the Communists should be recognized?<sup>38</sup>

Wedemeyer answered that he "would never accuse a man of being disloyal to his country unless I had irrefutable evidence. I think it is a most unfortunate and serious allegation that is being made against a lot of people who have liberal ideas, ideas that not at all in consonance with those espoused by Marx."<sup>39</sup> Noting that he had already indicated the orientation of the officers' reports, he did not feel, however, that he could answer the Senator's question as he was not that closely associated with his advisers.<sup>40</sup>

The General was also asked by Owen Brewster, Republican Senator from Maine, about the circumstances surrounding Davies' dismissal from China. Wedemeyer thereupon described the final confrontation between Hurley and the officer which he had witnessed. Calling it a "very heated argument," he stated that the former Ambassador had

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<sup>37</sup>Ibid.

<sup>39</sup>Ibid.

<sup>38</sup>Ibid., 2533.

<sup>40</sup>Ibid., 2534.

alleged that Davies had been disloyal to him, had not supported him, had taken action, and had written reports which hindered the accomplishment of his mission to China, which Hurley stated as being the support of the Nationalist government. The Foreign Service Officer had defended his actions and declared "categorically that he at no time had intended to be disloyal; that he had given an objective account as he saw it of the prevailing conditions there in China."<sup>41</sup> As the debate continued, "there were recriminating exchanges" by both men, and the "whole atmosphere was very acrimonious."<sup>42</sup>

The former Ambassador finally told Davies that he was going to recommend that the officer be discharged from the Foreign Service. Davies asked Hurley to permit him to remain in the service, and the former Ambassador ultimately agreed. As far as the General knew, Hurley never did request that the Foreign Service Officer be discharged.<sup>43</sup>

Later during Wedemeyer's appearance, Senator Theodore F. Green, Democrat from Rhode Island, who had been absent the previous day, quizzed the General about his testimony. Requesting more information about comments that his advisers were very critical of the Nationalists and favorable to the Communists, Green asserted that he "could hardly believe that

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<sup>41</sup>Ibid., 2513.

<sup>42</sup>Ibid.

<sup>43</sup>Ibid., 2513-4.

since . . . [Wedemeyer] had expressed previously entire confidence in these same men."<sup>44</sup> The General responded that these statements about the officers' reports were taken out of context since when he was asked about his advisers' ideological orientation, he had answered that he "did not believe them to be Communists or fellow travelers . . . ." <sup>45</sup>

Continuing, he explained that the Foreign Service Officers "were constantly out in the field . . . and with my authority, full cognizance."<sup>46</sup> After pointing out that he had not paid "as much attention to the work of these men as I probably should have as theater commander," Wedemeyer added, though, that he had "never suspected them. I don't suspect people."<sup>47</sup>

Senator Green then quoted from Secretary of War Stimson's letter of November 22, 1944, which stated that Wedemeyer had indicated to the War Department "'his conviction that unless these three officers [Davies, Service and Emmerson] are retained, military activities will be hampered.'" <sup>48</sup> The General replied that he had not protested very strongly the termination of his advisers' assignment to the army; instead these men had been worried about their status so he had told

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<sup>44</sup>Ibid., 2553-4.

<sup>45</sup>Ibid., 2554.

<sup>46</sup>Ibid.

<sup>47</sup>Ibid.

<sup>48</sup>Ibid.; this is referring to the period immediately following Stilwell's recall and Wedemeyer's appointment.

them that he "would be happy for them to continue to function just as they did under General Stilwell . . . ."49

The Senator next quoted to Wedemeyer his letter of May, 1945, in which he praised Service to the Secretary of State: "'Mr. John S. Service is highly commended for outstanding aid rendered headquarters, United States Forces China theater, in advising the commanding general on political matters which have direct and important bearing on the military situation in China.'"50 The General further stated that the Foreign Service Officer "'prepared valuable analyses of the political situation as it affected the war potential of the Chinese government and by correlation that of the United States forces in China.'"51 Green wished to know if this communication meant that General Wedemeyer's first good impressions of the officer had been confirmed. Wedemeyer answered: "Yes. I have stated, sir, I never had any feeling that there was anything wrong with those men."52 Quizzed further concerning the loyalty of Service by Senator Hickenlooper, the General asserted that he still knew nothing derogatory about the officer.53

After a concluding statement by him and the extension

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<sup>49</sup>Ibid., 2555. For further discussion of this incident as well as Davies' version of it see Chapter IV, 72-3.

<sup>50</sup>Ibid.

<sup>51</sup>Ibid.

<sup>52</sup>Ibid.

<sup>53</sup>Ibid., 2558.

of thanks by various Senators for his testimony, Wedemeyer's appearance before the joint committee ended.

When former Ambassador Hurley testified on June 20 and 21, his "mood bristled like his dashing white mustache,"<sup>54</sup> and he was even more acrimonious in his charges than he had been initially. He was bitter because of the reception accorded his accusations earlier. America's policy in Asia was now a shambles, which seemed to Hurley proof of his charges.

Most of his testimony was reiteration, but it was more self-serving and exaggerated than his comments in the December, 1945, hearings had been. The former Ambassador began his opening statement by asserting that his purpose in testifying was "to show what were the underlying principles of American foreign policy at the beginning of World War II and then to show where, when, and how our State Department surrendered them and embarked our nation on an entirely different policy."<sup>55</sup> He was convinced that the present investigation was essential, despite its secrecy which he strongly opposed, so that the American public could learn the truth.

After briefly mentioning that in his letter of resignation he had "dissented from the foreign policy that was being made effective by some, not all, of the career men

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<sup>54</sup>Time, LVIII (July 2, 1951), 20.

<sup>55</sup>Military Situation, IV, 2827.

in the State Department,"<sup>56</sup> Hurley proceeded to discuss at length the Yalta Agreement and the problems he confronted during his mission to Iran, especially the former. Not only had American diplomats "surrendered the territorial integrity and the political independence of China" at Yalta but since then the government had "failed to evolve a positive foreign policy . . . ."<sup>57</sup> This "confused" policy was responsible for all the problems confronting the United States.<sup>58</sup>

When questioned later about the Yalta accord, the former Ambassador testified that he had attempted to ameliorate the agreement, at Roosevelt's request. After the President's death, though, he "could not move the American State Department . . . ."<sup>59</sup>

It was not until his second day of testimony that Hurley discussed his mission to China in detail. Quizzed about his relationship with Stilwell, he explained that his first directive from the President was to settle the conflict between the General and Chiang Kai-shek.<sup>60</sup> The former Ambassador then related at length the course of the controversy, asserting that he had completely resolved it when

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<sup>56</sup>Ibid., 2828.

<sup>57</sup>Ibid., 2829.

<sup>58</sup>Ibid.

<sup>59</sup>Ibid., 2888. There is no evidence to substantiate these assertions by Hurley. For a more complete discussion, see Chapter V, footnote 135, 150-1; Chapter VI, 157-8.

<sup>60</sup>Ibid., 2864.

Stilwell presented, against Hurley's advice, the President's ultimatum to the Generalissimo. This action negated all the gains accomplished by the former Ambassador, and Chiang Kai-shek insisted upon the General's recall.<sup>61</sup>

Following this phase of the questioning, Senator Hickenlooper asked Hurley about his criticism that there was "unethical conduct on the part of certain . . . members of the Foreign Service in China," requesting evidence of "any soft policy toward the Chinese Communists that existed in the . . . State Department field, in China at that time."<sup>62</sup> The former Ambassador answered by launching into a criticism of the Connally hearings, especially the failure of the Chairman to acquire the twelve documents which Hurley had requested as proof of his charges.<sup>63</sup> He then read at length from a number of his messages from China, none of which, however, were relevant to the question posed by Hickenlooper.<sup>64</sup>

When the former Ambassador finally paused, Senator McMahon interrupted to ask how long Hurley had taken in replying to the question.<sup>65</sup> The Senator quizzed the former

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<sup>61</sup>Ibid., 2865-76. This is an inaccurate representation of what actually occurred; for a complete discussion of these events see Chapter II, 20-41.

<sup>62</sup>Ibid., 2888.

<sup>63</sup>Ibid., 2889.

<sup>64</sup>Ibid., 2889-93.

<sup>65</sup>Ibid., 2898. He had earlier protested that the former Ambassador was taking too long to reply to questions. Ibid., 2870.

Ambassador concerning his attitude toward the Chinese Communists, quoting from a number of Hurley's statements which indicated his belief that the Communists supported "exactly the same principles as those promulgated by the National government of China . . . ."66

McMahon also objected to some of the former Ambassador's testimony about Yalta, indicating that it was inaccurate.<sup>67</sup> Asserting that Hurley had not been critical of the agreement when he resigned, he cited the former Ambassador's statement that the Sino-Soviet treaty, signed following the accord, was one in which the Soviet Union "agreed to support the aspirations of the Chinese people to establish for themselves a free united democratic government."<sup>68</sup>

Hurley's rebuttal of the Senator's comments stimulated a rather heated exchange between the two men at times, despite the former Ambassador's assertion that he did not "want to engage in any personal controversy."<sup>69</sup> Chiding McMahon for misunderstanding the statements he had cited, Hurley then quoted from the F.B.I. recording of the Jaffe-Service conversation<sup>70</sup> as evidence of what the Communists thought of

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<sup>66</sup>Ibid., 2896. This is a quotation from Hurley's press conference of April 2, 1945.

<sup>67</sup>Ibid.

<sup>68</sup>Ibid., 2897-8.

<sup>69</sup>Ibid., 2899.

<sup>70</sup>This was the conversation which included the officer's mention of secret military plans.



his efforts in China. After a number of irrelevant citations, he finally referred to Service's statement that the former Ambassador "has all the way down the line only recognized Chiang Kai-shek, and our Government is to strengthen Chiang Kai-shek and to support him and to bring all the forces in China under Chiang Kai-shek's control."<sup>71</sup>

During Hurley's counterstatement, he also criticized the Tydings investigation for pillorying and smearing him in absentia.<sup>72</sup> Later in the day, the former Ambassador again referred to the State Department Employee Loyalty Hearings. He described his conversations and messages with Tydings concerning Hurley's appearance before the subcommittee. Quoting from Senator Tydings' testimony during the investigation that the former Ambassador did not want to appear because he had nothing to contribute, Hurley declared that Tydings' statement was in error.<sup>73</sup>

The former Ambassador next discussed the February 28, 1945, telegram contending that it was indicative of the effort of the career men to reverse American policy in China from supporting only the Nationalist government. As a result of this memorandum, he was called "on the carpet," but was

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<sup>71</sup>Ibid., 2901.

<sup>72</sup>Ibid., 2904.

<sup>73</sup>Ibid., 2939. This is a correct assessment by General Hurley of the Senator's testimony which contrasted distinctly with the messages and conversations held between the two men. See Chapter XI, 363-6, 410-1.

sustained by the President in the controversy.<sup>74</sup>

Senator Smith then asked Hurley to clarify for the joint committee the instructions for his mission to China. In response, the former Ambassador referred to his telegram to Secretary Stettinius of December 23, 1944, in which he had listed his directives as:

1. To prevent the collapse of the National Government.
2. To sustain Chiang Kai-shek as President of the Republic and as Generalissimo of the Army.
3. To harmonize the relations between the Generalissimo and the American Commander.
4. To promote the production of war supplies in China and to prevent economic collapse.
5. To unify all the military forces of China for the purpose of defeating Japan.<sup>75</sup>

Hurley noted that he also sent a copy of this message to the President so that he and the Secretary of State "could get together, and if that were no longer the policy, they could change it."<sup>76</sup> He received no reply from Roosevelt and Stettinius' answer had been a mere confirmation.<sup>77</sup> Despite the fact that "there was never any question about what was the purpose for which the President sent me

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<sup>74</sup>Ibid., 2905-6.

<sup>75</sup>Ibid., 2907.

<sup>76</sup>Ibid., 2907.

<sup>77</sup>Ibid., 2908. This was an assumption which Hurley easily could have made; while the State Department hesitated at that time to express its opinion of how American policy should be handled, it would not be long before the Ambassador was informed of the Department's opinions. See Chapter IV, 65-6.

to China,"<sup>78</sup> the "Commies and some of the boys . . . in the State Department said I was evolving my own policy, and I was criticized very severely."<sup>79</sup>

Smith next quizzed Hurley about his problems with Foreign Service personnel in China which had resulted from differences of opinion about his directives. The former Ambassador dramatically answered that he had

found that the career men were passing secret information to the Chinese armed Communists, and I hold in my hand a report dated October 10, 1944, subject 'The Need for Greater Realism in our Relations with Chiang Kai-shek' to General Stilwell. This is signed by John S. Service, and it came to me through the Communists.<sup>80</sup>

After quoting from the memorandum, Hurley asserted that the Foreign Service Officer "was against the Nationalist government, our ally, whom I was directed to uphold. He was in favor of the Communist Party whom I had declined to arm . . ."<sup>81</sup>

The former Ambassador then castigated Secretary of State Byrnes for defending the officers by his testifying in December, 1945, that "intelligent criticism should be upheld" and reporting to superiors "should be encouraged."<sup>82</sup> Declaring that he did not care what Service reported to him, the

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<sup>78</sup>Ibid. The State Department never accused Hurley of evolving his own policy but questioned his interpretation of American policy.

<sup>79</sup>Ibid.

<sup>81</sup>Ibid., 2913.

<sup>80</sup>Ibid., 2912.

<sup>82</sup>Ibid.

General, or the State Department, the former Ambassador asserted that what he "complained of was that he [Service] was supplying this information to the Communist armed party in China . . . ." <sup>83</sup> He was never permitted, though, to answer the Secretary of State and clarify what his real charges were. <sup>84</sup>

Smith wanted to know how the Communists obtained the Foreign Service Officer's report since it was addressed to General Stilwell. Hurley replied that "the Communist who gave it to me told me it was delivered . . . to the Communist headquarters in Yen-an by John S. Service . . . ." <sup>85</sup>

Later in the day, Senator Hickenlooper asked the former Ambassador for more information about his association with Service and Davies as well as other members of the State Department delegation in China, especially concerning their attitude toward the Communists and Hurley's "request for the recall, at least, of one or more of those . . . ." <sup>86</sup> The former Ambassador's answer was an inquiry as to whether the joint committee had a copy of the F.B.I. recording of the Service-Jaffe recording. Citing the officer's statement about secret military plans, he asserted that the plan was one dated January 29, 1945, a secret document which "never came to me as Ambassador" but had been "made available to the

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<sup>83</sup>Ibid.

<sup>85</sup>Ibid., 2913.

<sup>84</sup>Ibid., 2837.

<sup>86</sup>Ibid., 2927.

Communists at Yen-an, China."<sup>87</sup> Hurley explained that when he obtained the plan from the Communists, he checked into who had "travelled to Yen-an at that time and one of them was John Stewart Service . . . ."<sup>88</sup>

Continuing his testimony, the former Ambassador asserted that he had

relieved Mr. Service and I didn't make these charges except that he was pro-Communist, and that he was attempting to assist the Communists, that he was not in favor of the policy, but I didn't say he was Communist, and I didn't say at that time that he had betrayed military secrets.

But now I have the same document that we picked up with the Communists in China and have his own evidence on the disk recording that the document he delivered to Jaffe here--and this was in a few days after he arrived from China after I relieved him, and he was arrested by the FBI.<sup>89</sup>

Hurley then mentioned briefly all the people he had relieved from China stating that he "didn't call them Communists because I couldn't prove that. I said they were sabotaging the American policy and were in favor of the overthrow of our ally by the Chinese Communists."<sup>90</sup>

The former Ambassador was also asked by Senator Harry P. Cain, Republican from Washington, for his opinion of the policy of unifying all forces in China, especially after the war was over. Following a number of irrelevant comments,

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<sup>87</sup>Ibid., 2928.

<sup>89</sup>Ibid., 2929.

<sup>88</sup>Ibid., 2928-9.

<sup>90</sup>Ibid., 2930.

Hurley discussed an aide memoire from Chiang Kai-shek, dated September 19, 1945. Referring to reports that Acheson and Service were to be part of General MacArthur's advisory board, the Generalissimo had declared that the two officers were

generally accepted in China as men of strong conviction that a coalition between the Communists and the Kuomintang parties should be arbitrarily imposed. They both have expressed views that are definitely unfriendly to the Central Government of China and clearly reveal their support of the policies of the Communist Party.<sup>91</sup>

Moreover, the Communists knew that "Mr. Acheson and Mr. Service are sympathetic and they interpret the above referred to appointment as indicative of the change in the United States policy."<sup>92</sup>

As the questioning continued, the former Ambassador explained that he had attempted to work out a coalition between the Nationalists and the Communists. This was based on the understanding, though, "that before any American assistance of any kind was going to the Chinese Communist armed forces, that it would be necessary for them to recognize an allegiance to the sovereignty of the Republican Government of China."<sup>93</sup>

During the afternoon session, Senator John J. Sparkman, Alabama Democrat, who had been absent in the morning, posed

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<sup>91</sup>Ibid., 2923.

<sup>92</sup>Ibid.

<sup>93</sup>Ibid., 2923-4.

some additional questions about the Yalta agreement. Finally, the Senator announced that he found the former Ambassador's assertions that Yalta was the first event in the gradual collapse of America's China policy "a little difficult to reconcile" with Hurley's testimony in the December, 1945, hearings that this policy was "strong."<sup>94</sup> Sparkman continued by proclaiming his belief that much of the present criticism, clearly inferring the former Ambassador's charges, of America's China policy was based on "hindsight."<sup>95</sup>

Hurley immediately retorted that he

wouldn't say that it was hindsight on my part because I pointed out to the fact where we had departed from the American policy. I thought that I was the halfback in the game, not the Monday morning halfback, because my record is there and it shows that I thought that our policy--and I said . . . at that time--that there was a third war in the making.<sup>96</sup>

The former Ambassador then avowed that he had accomplished his directives of keeping China in the war and the Chinese army in the field, but he had "failed miserably" in his efforts to unify all the military forces of China. Defending himself with the assertion that he had rendered service to his country to the best of his ability, Hurley angrily exclaimed that he had

been plastered all over this Nation as the kind of a man who has delivered my country to the situation by which it is now confronted, and I am not guilty.

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<sup>94</sup>Ibid., 2933.

<sup>95</sup>Ibid., 2934.

<sup>96</sup>Ibid., 2935.

Now if somebody in here who is supposed to be favorable to Communism has talked about ordeal by slander, well, I never favored any of those principles. Yet, everybody is picking out little details and putting in a different context and a different time.

Why, I am in favor of individual liberty, self-government, regulated free enterprise and justice according to the American system, and I have never supported anything else, and yet I am on the defensive and have been for five years.

Now I didn't come here because I want to vindicate myself. Now this is the first time I have mentioned it during these hearings, but I did want to put in the record something that indicates that possibly I was fighting for the principles that have made America the greatest unit on earth and the principles that I believe were surrendered in secret by our diplomats.<sup>97</sup>

After the former Ambassador concluded this emotional outpouring, Senator Knowland queried him if he had voluntarily terminated his ambassadorship. This stimulated a lengthy and distorted description of the events surrounding his resignation. Hurley testified that in October, 1945, when Truman asked him to return to China, he had

told him [the President] in very short form that I believed that I was being undermined in China by our own State Department, not by all of them but by some of them, and it was just too great a task for a man to have to carry his own State Department on his back while meeting the Communist and Kuomintang controversy on the other.<sup>98</sup>

When Truman repeated his request, the former Ambassador had answered that he was not well. He did not say, though, that he positively would not "go back because I appreciate what you have said. I thought you were about to fire me and

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<sup>97</sup>Ibid.

<sup>98</sup>Ibid., 2936.



I thought I would relieve you of that by just getting out."<sup>99</sup> He had then told the President that if he could have a thirty-day rest he would come back and talk about the situation.

Upon return from his vacation, he had found, though, "that the men I complained of were all in the places where I left them, no changes had been made."<sup>100</sup> At the same time

someone called my attention to the Daily Worker (sic) and the Chicago Sun (sic) and to certain speeches made by a man who was supposed to be a Communist Member (sic) of Congress named DeLaney [DeLacy], all of which indicated to me that my secret reports to the State Department were made available to the Communists.

Some of them quoted me as having said that there are people in the Chiang Kai-shek government who are corrupt . . . . The whole purport of the publications --I was already persona non grata with my own State Department, and the purpose of them, I believe was to make me persona non grata with the government I was trying to uphold in China.<sup>101</sup>

In addition to these developments, Wang Shih-chieh, the Chinese Minister of Foreign Relations told him that "my good friend, Jim Byrnes, had said . . . that the war was over and they were going to give my place to a deserving Democrat."<sup>102</sup> Moreover, "a Dr. Qoa, who was at the United Nations, came down to warn me again that if I would go to China, the idea was to get me over there and find some pretext for public discharge."<sup>103</sup> Although Hurley did not

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<sup>99</sup>Ibid.

<sup>101</sup>Ibid., 2937.

<sup>103</sup>Ibid.

<sup>100</sup>Ibid.

<sup>102</sup>Ibid.

completely believe this, he made up his "mind that I was being shot in the rear by my own organization, and I quit without going back to the President."<sup>104</sup>

The former Ambassador admitted to the joint committee, though, that he had wrongly concluded that Truman was "primarily responsible for the things that were being published that were injuring me at home."<sup>105</sup> Since then, he had become "convinced that the information was being obtained from the documents that were stolen or taken from the State Department and sold or given to the Amerasia (sic) magazine in New York . . . ."<sup>106</sup>

As the hour of seven p.m. and adjournment approached, several of the Republican members were very complimentary of Hurley. Senator Knowland praised the former Ambassador and thanked him for appearing before the committee. Senator Cain asserted that he had "listened with wonder and always with interest to the attempts of big and small men . . . to malign you, to criticize you, to discredit you, and to expose you to venom and ridicule and intimidation."<sup>107</sup> Continuing this flattery of the former Ambassador, the Senator described him as a man "eminently qualified" by his background and experience "to be the highest type of witness before a

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<sup>104</sup>Ibid.

<sup>105</sup>Ibid.

<sup>106</sup>Ibid. No evidence of this has ever been revealed.

<sup>107</sup>Ibid., 2943.

Congressional Committee."<sup>108</sup> Cain also considered it "a real privilege for this American to have been in the company of a man who believes so strongly in his own Nation and its welfare."<sup>109</sup>

When Chairman Russell expressed surprise that Hurley had been so belabored, the former Ambassador replied that critics "came into my own town on public engagement, platform, all over the State, all over the Southwest. It was a continuous performance."<sup>110</sup> Russell then thanked Hurley for giving the committee "in forthright fashion, in the best American tradition, your views of the policies that would best serve the country that you love."<sup>111</sup>

Asking permission to add one more word, the former Ambassador asserted that he was defending his own record. Following this comment, the committee recessed.<sup>112</sup>

After almost two months of hearings, on June 27, Chairman Russell convened a session to discuss the future course of the investigation. Noting that all the witnesses who had been scheduled had appeared, he thanked the committee members, witnesses, staff, and everyone who had participated in the inquiry. Russell then indicated that although he had

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<sup>108</sup>Ibid.

<sup>109</sup>Ibid.

<sup>110</sup>Ibid., 2946.

<sup>111</sup>Ibid.

<sup>112</sup>Ibid.

given much thought to the question of a report, he remained uncertain as to the kind the joint committee could or should make, if it was decided to prepare one. He believed, though, that before such a decision was made, a public statement should be issued to the public.

The Chairman then proceeded to read a prepared deposition entitled, "Statement Affirming Faith in Country." A reassuring document, it declared that although there were disagreements as to policy in the Far East, the American democracy had the vitality to withstand them. It concluded with the declaration that the hearings had "increased our Committee members' faith in our strength and in our ability."<sup>113</sup>

The Senators complimented Russell upon the statement and unanimously agreed to its immediate issuance.<sup>114</sup> Shortly after taking this action, the joint committee recessed.

It did not reconvene until August 17. At this session, Chairman Russell asserted that it was his opinion that no useful purpose would be served by making a report on the hearings. The committee had served its purpose by focussing the attention of the American people upon the policy in the Far East and informing them of various issues relating to this policy.<sup>115</sup> Several of the Republican Senators, such as

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<sup>113</sup>Ibid., 3124.

<sup>114</sup>Ibid., 3125-30.

<sup>115</sup>Ibid., V, 3138.

Knowland and Bridges, expressed their opinion, however, that the joint committee had an obligation to prepare a report.<sup>116</sup>

Bridges added that if it were decided not to submit a formal report, individual views of the committee members should be permitted to do so.<sup>117</sup> When Senator Cain interrupted to note that certain members had already met and written a statement reflecting their views, McMahon expressed surprise that this report had not been submitted to the full membership of the committee.<sup>118</sup>

Senator Bridges immediately replied that no discourtesy was intended and that the document was not really a report but a summary of the views of some of the committee members. McMahon then asked if the group intended to offer the statement as a basis for a report or was it "of such a partisan nature that there is no use in submitting it . . ."<sup>119</sup>

The New Hampshire Republican responded that it was a partisan report, but a "very fair appraisal of the results of the hearing."<sup>120</sup> The group certainly would support the document as a basis for a report, but if the committee decided not to have one, he wanted the statement published.

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<sup>116</sup>Ibid., 3139.

<sup>117</sup>Ibid.

<sup>118</sup>It was later revealed that this statement had already leaked to the press. Ibid., 3147.

<sup>119</sup>Ibid., 2141.

<sup>120</sup>Ibid.

Considerable discussion followed on this matter, much of which reflected the partisanship of the joint committee's membership. Since the eight members who were committed to the already prepared statement were all Republicans, some of the comments became rather heated.<sup>121</sup> Again questioning why he had not seen the document, McMahon expressed his regret that he "was a pariah, along apparently with some of the rest of my colleagues, who were not permitted to drink at this fount of wisdom."<sup>122</sup>

Senator Leverett Saltonstall, Republican from Massachusetts, finally interrupted to express his hope that no formal report be issued since it would mean majority and minority views. He, thereupon, made a motion to that effect, adding that individual members should be permitted to file their views and conclusions.<sup>123</sup> In the deliberation that ensued, it was explained that the complete record of the hearings as well as all the documentary evidence presented during the formal testimony would also be submitted to the Senate.<sup>124</sup>

The motion resulted, though, in even more debate among the committee members. It was pointed out, however, that

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<sup>121</sup>Ibid., 3143.

<sup>123</sup>Ibid., 3144.

<sup>122</sup>Ibid.

<sup>124</sup>Ibid., 3145.

since the hearings had not resulted from any resolution or bill, there was no requirement for a formal report. The committee only needed to submit the testimony and records of the hearings.<sup>125</sup> Saltonstall's motion finally passed, after several substitute proposals failed to receive sufficient support.<sup>126</sup>

After an unanimous expression of thanks to Chairman Russell for the "fair and splendid" way in which he conducted the hearings, the joint committee adjourned.<sup>127</sup> With this action, the Congressional investigation was officially ended.

Only four statements were submitted by committee members, all of them Republicans. One of these was the document previously prepared by eight minority members: Styles Bridges, Alexander Wiley, H. Alexander Smith, Bourke Hickenlooper, William Knowland, Harry Cain, Owen Brewster, and Ralph E. Flanders. A lengthy and highly partisan document, it expressed a number of conclusions or areas of concern. It was very sympathetic and supportive of General MacArthur and critical of the administration concerning not only the decision to remove MacArthur, but of America's Far Eastern policy in general. Asserting in one section that the American people were ill-informed and misinformed as to the nation's objectives in Asia, the eight signers expressed the "conviction" that the

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<sup>125</sup>Ibid., 3150.

<sup>126</sup>Ibid., 3162-3.

<sup>127</sup>Ibid., 3164.

investigation had proven "that the administration's Far East policy was one of appeasement toward Communism . . . ."128

In another part of the report, the minority members listed judgments for which they placed "inescapable" blame upon the administration. Over half of these indicated at least partial if not complete acceptance of Hurley's charges:

(1) "Yalta is a great tragedy of American diplomacy."129

(2) "Some United States officials were so opposed to Chiang Kai-shek that they were automatically on the side of the 'Red regime.'"130 The signers of the document felt that such a condition demanded a "complete and thorough inquiry."131 Since it was unlikely that the executive branch would undertake "to expose this situation to the light of day," the Republicans recommended that "an appropriate committee of Congress endeavor to investigate the question and recommend remedial legislation."132

(3) "It has not been the consistent policy of the United States to support the Republic of China."133 On the contrary, "the policy has been obscured by constant conflict in the State Department, in the press, and in public debate."134

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128 Ibid., 3576.

130 Ibid.

132 Ibid.

134 Ibid.

129 Ibid., 3591.

131 Ibid.

133 Ibid.



A policy of supporting the Republic "should have been the firm and continuing policy of the United States. President Chiang Kai-shek was and is the outstanding anti-Communist leader in Asia."<sup>135</sup> This discussion was concluded with the assertion that the administration could not "straddle the fence on this issue. It claims to have followed a policy of supporting Chiang. The China paper is a blunt denial . . . . We have not been convinced that Chiang lost China for any other reason than he did not receive sufficient support, both moral and material, from the United States."<sup>136</sup>

(4) "If the Republic of China had received effective military aid from the United States they might have defeated the Communists."<sup>137</sup>

(5) "The propaganda campaign against the Republic of China was vicious."<sup>138</sup>

(6) "The administration believed that the Chinese Communists would work in harmony with the Nationalists in a coalition government."<sup>139</sup>

(7) "The administration has been unduly preoccupied with the defense of America in Europe to the neglect of the defense of America in Asia."<sup>140</sup>

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<sup>135</sup> Ibid.

<sup>137</sup> Ibid., 3594.

<sup>139</sup> Ibid., 3599.

<sup>136</sup> Ibid., 3593-4.

<sup>138</sup> Ibid.

<sup>140</sup> Ibid., 3599.

(8) "The administration has sole responsibility for the failure of our far eastern (sic) policy."<sup>141</sup> Citing the State Department specifically, the eight signers declared that the "administration failed to devise a policy to keep China free."<sup>142</sup> This investigation had clearly refuted the claim of the administration and its "apologists" that the "failure was achieved under bipartisan sponsorship . . . ."<sup>143</sup>

(9) "It is difficult to secure information from an administration which is determined to keep the facts from the Congress and the people."<sup>144</sup>

(10) "The problem of Communist infiltration in our Government is still unresolved."<sup>145</sup> Declaring that such infiltration was a critical problem, the eight Senators claimed that at some time, "not yet clear to this committee, Communist influence began to affect our Far East policy. We have had the policy under review during these hearings. Witnesses discussed the activities of the State Department group who favored the Chinese Communists. We are satisfied that the truth about the pro-Communist State Department group has not yet been revealed."<sup>146</sup> Consequently, there "can be

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<sup>141</sup>Ibid.

<sup>143</sup>Ibid., 3596.

<sup>145</sup>Ibid., 3599.

<sup>142</sup>Ibid.

<sup>144</sup>Ibid., 3598.

<sup>146</sup>Ibid., 3600.

no confidence, no unity of purpose until this administration makes available to the public the facts, until the Executive demonstrates the desire to remove from our national institutions those who seek to destroy America."<sup>147</sup>

Senator Lodge, who endorsed some of the above views but not all, also submitted his individual statement, most of which dealt with the dismissal of General MacArthur and the problems relating to the Korean conflict. His comments were equally as sympathetic toward the General and critical of the administration as had been those of the eight Republicans who had joined together. Lodge only briefly referred to the loss of China, noting that it was still a mystery how much this loss could be charged to the errors of individual Americans.<sup>148</sup>

Another statement was prepared by Senator Morse, who expressed deep regret that some of his "Republican colleagues on the joint investigating committee saw fit to release a very highly partisan and biased report . . . ." <sup>149</sup> Disagreeing with his fellow Republicans concerning the dismissal of MacArthur, he believed that the hearings provided ample evidence justifying the General's recall. The Senator also felt that the long discourse on United States foreign policy in Asia which was included in their report was "irrelevant."<sup>150</sup>

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<sup>147</sup>Ibid.

<sup>149</sup>Ibid., 3662.

<sup>148</sup>Ibid., 3059-60.

<sup>150</sup>Ibid.

Senator Saltonstall submitted the fourth report. Although asserting that he agreed with most of the conclusions contained in the statement issued by his eight fellow Republicans, his brief comments were quite objective.<sup>151</sup>

The Democratic members of the joint committee remained conspicuously silent, thereby signifying the major role that partisanship played in this inquiry. Although it uncovered no new evidence concerning America's China policy and the Foreign Service Officers, the Republican statements, primarily the eight-man one, gave support to Hurley's accusations.

Political passions were thus only exacerbated by the hearings, and in June and July the State Department, apparently unable to ignore the intensifying attacks, suspended a number of employees pending new clearances. Among those suspended were Davies and Service. Both had already been cleared several times, and Service was undergoing his eighth loyalty hearing.<sup>152</sup> Moreover, on July 25, Congress began another investigation into the nation's internal security which would once again question the actions of these two officers and further jeopardize their careers.

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<sup>151</sup>Ibid., 3559-60.

<sup>152</sup>Koen, 201.

## CHAPTER XIV

### THE INVESTIGATION OF THE INSTITUTE OF PACIFIC RELATIONS

This new inquiry resulted from a Senate Resolution dating back to 1950. On November 30, Senate Resolution 366 was introduced by key members of the Judiciary Committee. A lengthy proposal, its major purpose was to provide for further investigation into "the extent, nature, and effects of subversive activities in the United States . . . ." <sup>1</sup> This resolution was approved, with minor amendments, on December 21, 1950. <sup>2</sup>

It is not surprising that such a resolution was brought forward at this time. The Congressional investigation of Communism in the State Department, which concluded late in July, 1950, encouraged rather than quieted Congressional suspicions and the elections of that fall intensified the attack on the administration's foreign policy, thereby winning seats for the Republicans and strengthening Congressional support for the Communist conspiracy theory. To make matters worse, the Korean War was once again a disaster by the end of

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<sup>1</sup>Congressional Record, 81st Cong., 2nd sess., XCVI, Part 12, 15965.

<sup>2</sup>Ibid., 16872.

November. On the 26th, just four days before the resolution was introduced, the Chinese Communists entered the war and the United Nations forces were driven into a bloody retreat. It was in this environment--fear of espionage and sabotage at home and another Communist victory in Asia--that the United States Senate, with almost no opposition, considered and passed Senate Resolution 366.

Early in 1951, acting under the authority of this resolution, the Internal Security Subcommittee of the Senate Judiciary Committee began a preliminary investigation of the Institute of Pacific Relations. The Institute, an association composed of national councils in ten countries and devoted to promoting understanding of Asia and bettering relations between Asia and the West, was accused of being Communist controlled, of having a subversive influence upon America's Asian policy, and of duping American public opinion.<sup>3</sup> When United States policy toward China came under attack for being influenced by Communists or pro-Communists, it was probably inevitable that the effects would extend to the scholarly organizations which were concerned with the Far East, and the Institute was the organization most closely

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<sup>3</sup>U. S. Senate, Committee on the Judiciary, Institute of Pacific Relations, Report of the Committee on Judiciary Pursuant to Senate Resolution 366, United States Senate, 82nd Cong., 2nd sess., Senate Report 2050 (Washington, D.C., 1952), 2; hereafter cited as Institute Report.

involved.<sup>4</sup>

Shortly after the subcommittee initiated its inquiry into the activities of the Institute, General MacArthur was dismissed, generating that Congressional investigation. Within a few weeks of its conclusion, the formal hearings on the Institute began.

The nation was in a highly emotional state, and this inquiry, more than any of the previous ones, was lacking in objectivity and almost totally responsive to the theory of conspiracy in explaining the failure of American foreign policy. Not only was no Secretary of State called to testify but no Asian specialist, military or civilian, was asked to appear unless he was accused of having a deleterious (in other words, pro-Communist) influence upon Far Eastern policy.<sup>5</sup> Virtually every witness, with the exception of the accused, were critical of this policy which was held responsible for the collapse of Nationalist China. A number of those who testified were ex-Communists who were already acquiring the reputation of being professional, anti-Communist witnesses.

In addition, the entire subcommittee, Democrats as

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<sup>4</sup>Koen, 153.

<sup>5</sup>Ibid., 160. General Albert C. Wedemeyer, Admiral Charles M. Cooke, and Major General Charles A. Willoughby, who had served in Asia but were not usually regarded as experts on the area, did testify.

well as Republicans, seemed to have succumbed to the Red Scare. Robert Morse, an early convert to the theory that Communists were influencing if not formulating American's Asian policy, served as Special Counsel to the subcommittee. The tenor of his questions, which reflected this attitude, was similar to that heard when he was Assistant Counsel to the Senate Foreign Relations Subcommittee which conducted the State Department Employee Loyalty Investigation. Testimony which did not coincide with the preconceptions of the subcommittee personnel was strenuously challenged whereas testimony which agreed with the Communist-influence thesis was not only unchallenged but often encouraged by prompting and leading questions.<sup>6</sup>

During the hearings, which ranged over all aspects of the nation's Asian policy, those even remotely connected with this policy, especially the loss of China, were especially singled out. The same old charges were hurled against the Foreign Service Officers, and this time, new ones were added by some witnesses.

Louis Budenz, one of the ex-Communists who had testified during the investigation by the Tydings Subcommittee, as well as other Congressional hearings, was again called to appear. In this inquiry, he reiterated his accusation that

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<sup>6</sup>Koen, 160-1.



the career diplomats were Communist or pro-Communist. In discussing Service, the former Communist frequently cited articles from the Daily Worker, as proof of his charges. Asserting that the Communists relied very strongly on the career diplomat in their campaign against Hurley, he avowed that the newspaper had made such a statement.<sup>7</sup> In another article, Service was praised for "having been vindicated after he had allegedly taken State Department documents and given them to Philip Jaffe."<sup>8</sup> As even more conclusive evidence against the officer, Budenz testified that Service

at least from the official information I received had many contacts with the party. He was designated as Lattimore's pupil in some of these discussions. He was designated as a man to be relied upon in the State Department, particularly in 1945 in the campaign against General Hurley.<sup>9</sup>

Although the former Communist admitted that he had never heard Service "mentioned specifically as a Communist," he insisted that the diplomat's relationship was certainly very close from all the official reports I received."<sup>10</sup> In reply to a question of whether the Communist party relied upon Service to "put over" its policy in the Far East, Budenz replied, "Most specifically."<sup>11</sup> Further testimony brought out, however, that this designation was not in the sense of

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<sup>7</sup>Institute of Pacific Relations, II, 624, 626.

<sup>8</sup>Ibid., 618.

<sup>9</sup>Ibid., 678-9.

<sup>10</sup>Ibid.

<sup>11</sup>Ibid.

an official appointment, but rather as a characterization of the officer by members of the party.<sup>12</sup>

Service's reports were also discussed as to their manifestations of pro-Communist tendencies. Edna R. Fluegel, professor of political science at Trinity College in Washington, D.C., who had been in the Department of State from 1942 to 1948, gave testimony on this subject. She pointed out that she was well acquainted with the officer's dispatches because they had created "a tremendous sensation in the Department."<sup>13</sup> The reports had been very popular because they "were extremely well written and they were exciting . . ."<sup>14</sup> Although at that time there had been question regarding the competence of the dispatches, Miss Fluegel remembered that she had thought that they were "definitely pro-Communist."<sup>15</sup>

Explaining that many of his reports had concerned "the freshness, the honesty, the realism, the enthusiasm of these people,"<sup>16</sup> she was of the opinion that Service had thought that the Chinese Communists were agrarian reformers. His memoranda had contained "some questions as to whether it [the movement] was Communism, whether it wasn't just like the term 'socialism,' covering a great many differences, and the emphasis was that this was certainly a different form of

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<sup>12</sup>Ibid.

<sup>14</sup>Ibid.

<sup>16</sup>Ibid.

<sup>13</sup>Ibid., VIII, 2866.

<sup>15</sup>Ibid.

Communism!"<sup>17</sup> Miss Fleugel believed, however, that there had been some shift in his feeling within the years 1944-1945 from "the initial enthusiasm and the initial stress that this was an agrarian movement. Then quite suddenly--no, it is not that, it is Communism but you had better make your peace with it and win it over."<sup>18</sup>

Davies was also charged with being pro-Communist. Elizabeth Bentley, another ex-Communist and frequent Congressional witness, avowed that she was told that the Foreign Service Officer was quite sympathetic to the Communist cause. She also remembered "one report of his that they gave to me which definitely showed that fact."<sup>19</sup>

Even more damaging information concerning Davies' ideological orientation was provided by Lyle Munson, an employee of the C.I.A. in 1949-1950.<sup>20</sup> He testified that the officer, as a member of the Policy Planning Staff, had proposed in 1949 that the C.I.A. utilize several people. Those suggested, Benjamin Schwartz, Edgar Snow, Agnes Smedley, Anna Louise Strong, John Fairbank, and Wilma Fairbank, were

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<sup>17</sup>Ibid., 2867.

<sup>18</sup>Ibid.

<sup>19</sup>Ibid., II, 439.

<sup>20</sup>The subcommittee initially came into possession of a copy of a statement made by Munson to the F.B.I. on April 11, 1950. This statement was a condensed version of the testimony he gave to the subcommittee. See Institute Report, 218-9.

all China specialists who had written, somewhat sympathetic-ally, about the Communist movement; hence, they were now regarded with suspicion.<sup>21</sup> The six were to be used in such a way that they would not be cognizant of their relationship to the C.I.A.<sup>22</sup>

Munson further damned Davies with the assertion that the officer had explained that these people, who were considered Communist by some, were not "but were only very politically sophisticated."<sup>23</sup> The former C.I.A. employee admitted, though, that Davies was perhaps only referring to the Fairbanks.

Munson's testimony was confirmed, "in all material aspects," by another witness. On June 19, 1952, the subcommittee learned of another C.I.A. agent who had heard Davies make his recommendations, and he was called to appear in executive session. His testimony was not released, though, "because of the security involved in his identity."<sup>24</sup>

Lesser evidence against the career diplomat was given by several professors. Karl Wittfogel, director of the Chinese history project jointly sponsored by the universities of

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<sup>21</sup>Benjamin Schwartz and John Fairbank were acknowledged scholars of Chinese history.

<sup>22</sup>It later was pointed out that these people were to be dealt with through a "cut-out," a person of unquestionable loyalty.

<sup>23</sup>Ibid., 2763.

<sup>24</sup>Institute Report, 221.

Columbia and Washington and a former member of the Communist Party, testified that Davies had "the idea that the Chinese Communists may be different from other Communists."<sup>25</sup>

David N. Rowe, Yale professor of political science, specializing in Asia, and a frequent consultant for the national government also appeared. He pointed out that Davies, during his work with the Policy Planning Staff, had been opposed to supporting the Chinese Nationalists. Rowe had unsuccessfully tried to convince the officer that the United States should continue its aid to Chiang Kai-shek, but Davies had persisted in his "line" that the Nationalists were disorderly; that the government was disorganized; and that the whole thing was "going to break up."<sup>26</sup> The career diplomat had been "very negative" in his response to the political scientist's comment that "shooting a few people," such as the Generalissimo had done, was the only way to handle some situations. Rowe continued his testimony by asserting that this attitude was typical from the "liberal mentality."<sup>27</sup>

Another professor, William McGovern, who was teaching political science at Northwestern University, testified about both Davies and Service. A member of the Joint Intelligence Staff and unofficial liaison with the Joint Chiefs of Staff during the war, he asserted that the officers had been

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<sup>25</sup>Institute of Pacific Relations, I, 314.

<sup>26</sup>Ibid., XI, 3993.

<sup>27</sup>Ibid.

"whole-hearted in their dislike of the Nationalist government of China and their theory was that we [the United States] should support the Chinese Communists."<sup>28</sup> Declaring that he was familiar with the reports of the men, he felt that they had been wrong in emphasizing that the intentions of the Chinese Communists would be friendly to the United States.

The political scientist then specifically turned to Service, testifying that the officer had been "very violent against the way in which our foreign policy was going in China under General Hurley . . . and General Wedemeyer . . . ."<sup>29</sup> He further avowed that he had talked with Wedemeyer in 1945, and the General had been "very much shocked with the kind of poor political intelligence that was being sent in by such men as Service."<sup>30</sup> Consequently, McGovern had been surprised when the diplomat was returned to China that year. However, when he was asked by some of the Senators if Service had suggested "any measures to implement the policy that he was advocating," the political scientist replied no.<sup>31</sup>

General Wedemeyer was also called upon again to comment regarding the actions of the Foreign Service Officers in China. His testimony resembled that which he had given before the Congressional investigation in 1950, but he was more cautious and hedged on some points. Whereas other sources of

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<sup>28</sup>Ibid., IV, 1022.

<sup>29</sup>Ibid.

<sup>30</sup>Ibid.

<sup>31</sup>Ibid., 1023.

information indicated that Wedemeyer had desired the services of the State Department advisers, he reiterated that when he had assumed command of the theater, Davies had asked if they could continue in their assignment. He had merely acceded to this request.<sup>32</sup> The General also stated that in the winter of 1944-1945 Hurley had suggested that the advisers be placed under him, and he had agreed. Consequently, the change was made.<sup>33</sup>

Asked about any controversy between the former Ambassador and the Foreign Service Officers, Wedemeyer acknowledged that the above transfer was requested for that reason. He pointed out that the former Ambassador had continued, though, to have some difficulty with the professional diplomats and felt that they were undermining his efforts.<sup>34</sup> The General also discussed again the final Hurley-Davies confrontation, adding a new item of information. This time, he testified that the former Ambassador had decided that Davies "should be transferred and go to Moscow to see at first hand the operation of some of these ideas that . . . [he] had been espousing."<sup>35</sup>

Most of Wedemeyer's testimony centered around the question of the career diplomats' loyalty. Asked directly if his advisers were disloyal, the General replied no, but

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<sup>32</sup>Ibid., III, 778.

<sup>33</sup>Ibid., 829.

<sup>34</sup>Ibid., 829-30.

<sup>35</sup>Ibid., 830.

added that he had not analyzed them as carefully as he should have.<sup>36</sup> The subcommittee also wanted to know if Wedemeyer thought that their reports were disloyal to the American government and its policy. Responding that he could not "honestly" answer the question, he stressed that he had not given the memoranda proper attention.<sup>37</sup> Under questioning, he admitted that the reports had been derogatory of the Nationalist government and commendatory of the Communists.<sup>38</sup>

One of the Senators quizzed the General about Davies' dispatch of November 15, 1945, asking if Wedemeyer thought that it had been written to persuade the United States government that it should support the Communists. He replied:

That is one interpretation, yes . . . . My interpretation is that this chap felt that the Communists in China were getting increasing power. I do not go quite so far as to suggest just from this statement that this Foreign Service officer wants us to feel that we should support the Communists. I think there is always danger in reading into a statement . . . .<sup>39</sup>

Asked whether he thought the policies of the officers were pro-Communist, the General responded that he "would not state that categorically . . . . There was much to be criticized in the Nationalist set-up. There was maladministration and there were dishonesties."<sup>40</sup> This was not true of the

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<sup>36</sup>Ibid., 831.

<sup>37</sup>Ibid., 776, 778, 831.

<sup>38</sup>Ibid., 778, 828.

<sup>39</sup>Ibid., 799.

<sup>40</sup>Ibid., 778.



Communists because "It was a smaller set-up. The opportunities were not quite there."<sup>41</sup>

Wedemeyer also pointed out that the comments of the Foreign Service Officers might be said "to epitomize the entire American viewpoint toward Chiang Kai-shek and his government . . . ,"<sup>42</sup> since "practically everyone with whom I spoke felt that there was nothing that could be done constructively to keep China fighting in the war."<sup>43</sup> He further asserted that there "were no clear-cut American policies enunciated, insofar as I can recall, pertaining to China . . . . I don't think many people in our country know what we are striving to do in the Far East . . . . The objectives established are too nebulous . . . ."<sup>44</sup>

The General stated, however, that if he had followed "some of the advice that they [his political advisers] embodied in their reports, in my judgment I would not have been carrying out my directive, nor would I have been following the policy of my country in that particular area."<sup>45</sup> A short while later, he went even further and stated "categorically these reports were not in consonance with my interpretation of my directive or of American policy."<sup>46</sup> In reply to the

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<sup>41</sup>Ibid.

<sup>43</sup>Ibid.

<sup>45</sup>Ibid., 777.

<sup>42</sup>Ibid.

<sup>44</sup>Ibid., 777.

<sup>46</sup>Ibid., 780-1.

question of what was the policy of his advisers, he stated:

Sometimes it is quite implicit . . . . Other times it is veiled, but the idea was to give more support to the Communist forces in lieu of the Nationalist forces. These reports would play up the shortcomings, the mal-administration, and the unscrupulousness of Nationalist leaders, play up the orderliness or the potentialities of the Communist forces in Yunan.<sup>47</sup>

In Wedemeyer's opinion, "the military capabilities of the Communist forces in Yenan were not great, were invariably over-emphasized in reports submitted to me by these political advisers."<sup>48</sup> Moreover, the Nationalist government had cooperated with him to the best of its ability, whereas he had received no cooperation from the Communists.<sup>49</sup> The General was also convinced that a coalition government would not have assured the United States of either a democratic or independent or friendly nation, as Davies and Service had tended to believe.<sup>50</sup> There would have been no advantage gained, therefore, by cooperating with the Communists.<sup>51</sup>

Following his rather critical testimony concerning the performance of his political advisers, Wedemeyer sent a letter to the subcommittee asking that it be included in the

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<sup>47</sup>Ibid., 777; Yunan is usually spelled Yenan.

<sup>48</sup>Ibid., 779.

<sup>49</sup>Ibid., 790.

<sup>50</sup>Ibid., 796.

<sup>51</sup>Ibid., 803.

record of the hearings. In this document, he pointed out that he had voluntarily issued the Foreign Service Officers letters of appreciation and commendation when they were relieved. He defended this action, pointing out that much of the information that the men had provided was helpful and constructive, and "at that time I felt definitely that their services fully merited commendation even though I did not accept or implement their specific recommendations pertaining to support of the Chinese Communist military forces."<sup>52</sup> It was only later, when he came to grips with the political, economic, and social problems in the China theater, that it became obvious that if he

had implemented the recommendations of my political advisers to support the Chinese Communist Forces, I not only would have violated my directive, but also such action would definitely have contributed to the success of the Soviet-inspired Chinese Communists against the Chinese Nationalists in their internecine struggle after the war and would thereby have accelerated the communization of the entire area.<sup>53</sup>

General Wedemeyer concluded his letter by stating, however, that he "never questioned nor do I now question their loyalty to me or to our country."<sup>54</sup>

The Amerasia case was delved into again during this inquiry. The old claim that sabotage was involved in the case was introduced when Budenz testified that the magazine

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<sup>52</sup>Wedemeyer to Subcommittee, November 11, 1951, Ibid., VIII, 2535.

<sup>53</sup>Ibid., 2536.

<sup>54</sup>Ibid.

was organized, according to information given to him, under Communist auspices.<sup>55</sup> Julian Friedman, lecturer of political science at the University of California, Berkeley, who had been a member of the State Department as Divisional Assistant in the Division of Chinese Affairs during the case, further aroused suspicions, when he asserted that, to his knowledge, there had not been any investigation by the Department to ascertain how the documents might have come into the hands of Jaffe and Roth.<sup>56</sup>

The relationship of Davies and Service with the Institute of Pacific Relations was also questioned. Edward C. Carter, a member of the board of directors, who formerly held the posts of Secretary General of the Pacific Council and Executive Vice-Chairman of the American Institute, initially testified that Davies and Service were both members of the organization,<sup>57</sup> but a sworn statement submitted to the subcommittee on June 22, 1953, which clarified a number of items in his testimony, stated that neither officer was actively affiliated with the Institute.<sup>58</sup> William L. Holland, Secretary General of the American Institute avowed that Davies and Service were among the group of "many other people named as 'associated' with the Institute of Pacific Relations [who]

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<sup>55</sup>Ibid., II, 618.

<sup>57</sup>Ibid., I, 70, 72.

<sup>56</sup>Ibid., III, 4314.

<sup>58</sup>Ibid., XIV, 5346-7.

have had only the most marginal, insignificant, contact with it and have exacted no influence whatever on its activities or publications."<sup>59</sup>

Davies, who was called to testify in his own defense, appeared before the subcommittee in executive session on two days. Most of the questioning, which was dominated by the subcommittee's counsel members, concerned his proposal to the C.I.A. The career diplomat repeatedly refused to answer any of the questions directed to this topic, responding that the entire subject was "highly classified" and that he was "not at liberty to talk about it . . . without clearance from my superiors."<sup>60</sup>

On the second day of his testimony, the counsel members continued to quiz Davies about the proposal, determined to obtain a more satisfactory response. After some initial probing on the topic, they asked him about his attitude toward Communism. In response, the officer vigorously avowed that he had "at no time sympathized with the Communist ideology. My basic motivation, since I was a small missionary boy in China, was almost Xenophonically American."<sup>61</sup> Davies further testified that his opinions did not coincide "with Communist ideologies in any respect."<sup>62</sup>

As the subcommittee persisted in its questioning, the

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<sup>59</sup>Ibid., IV, 1218.

<sup>61</sup>Ibid., 5460.

<sup>60</sup>Ibid., XIV, 5447, 5444.

<sup>62</sup>Ibid.

career diplomat finally admitted that he had recommended the utilization of the specified persons "to an agency of Government other than the State Department" to "prepare material."<sup>63</sup> He denied, however, that the six were to be used "for consultation and guidance."<sup>64</sup> Asked, as he had been a number of times previously, if he had ever characterized the persons suggested in his proposal as not being Communists but only politically sophisticated, he testified that he had frequently defended the Fairbanks against allegations that they were Communist sympathizers. He insisted, though, that he had never made the statement that the Fairbanks "were not Communists but only very sophisticated or very politically sophisticated."<sup>65</sup> Davies also stated his belief, in response to more questioning, that it would have been necessary for all of the people he recommended to undergo a security check before their utilization by the government. The career diplomat refused to divulge any further information about his proposal, however, on the grounds that national security was involved.

In addition to Davies, most of those accused by the various witnesses of having a subversive influence upon America's Asian policy were asked to appear before the subcommittee. Service was not--undoubtedly because midway through the investigation, he was dismissed from the Department of

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<sup>63</sup>Ibid., 5477.

<sup>64</sup>Ibid.

<sup>65</sup>Ibid., 5479.

State on the grounds that there was reasonable doubt of his loyalty.

Many people, including some who were also the target of accusation, came to the defense of both the Foreign Service Officers. William Holland of the Institute noted that it was Hurley himself rather than Davies and Service that had believed vigorously that the Chinese Communists were not "real" Communists.<sup>66</sup> Owen Lattimore further substantiated this argument.

Lattimore, who was also under scrutiny, pointed out to the subcommittee that the Far Eastern experts of the State Department had never misrepresented the Chinese Communists as "different" from the Russians or as "agrarian reformers." On the other hand, he offered an exhibit showing that Hurley and many of the others who had testified against him and the Foreign Service Officers had made such statements. Lattimore then asserted his belief that it was "utter nonsense" to suggest that this was a sign of Communism or pro-Communism.<sup>67</sup>

It was also pointed out by the Asian scholar that there were many during World War II who had felt that resistance should be maintained against the Japanese even if it meant Communist resistance. He believed that Joseph Alsop, the journalist, had characterized the period well in a column which he had written on July 25, 1951, pointing out that

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<sup>66</sup>Ibid., IV, 1229.

<sup>67</sup>Ibid., IX, 3108.

arguments for direct American dealings with Communist-led forces had been ably presented by the Foreign Service Officers. Also particularly cited Davies, who had prophesied in 1943-1944 that the Communists were to come "out on top" at the end of the war but had believed that if the United States gave them moderate aid it would promote their confidence in America and thus achieve a division between them and the Soviet Union. Although the journalist had opposed the diplomat's position at the time, he concluded in this recent article that "Davies made what must now be accounted an extremely brilliant deduction--that Titoism was possible, before Titoism had been heard of--and if Davies' recommendation had been followed, I now believe he would have been proven right."<sup>68</sup>

While discussing the "loss" of China, Lattimore emphatically declared that he did not believe "that the catastrophe was brought about by the treachery or incompetence of those entrusted with our foreign policy. By and large, I believe that our China policy was handled not only loyally but as competently as could have been reasonably expected . . . ."<sup>69</sup> Avowing that it was necessary for the nation to have a strong State Department and an able Foreign Service, he asserted that

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<sup>68</sup>Ibid., 3113.

<sup>69</sup>Ibid., 3000.



the usefulness of the Foreign Service personnel has already been jeopardized by the work of this committee-- both directly by attacks on irreplaceable personnel and indirectly by impairing the confidence of the nation and our foreign allies in our State Department and by instituting a reign of terror among our Foreign Service personnel.<sup>70</sup>

The Asian scholar continued his vigorous denunciation of those who accepted the Communist-influence thesis by pointing out that "almost all the few men with outstanding experience and knowledge of China have already either been eliminated from the Department of State or are working in other parts out of the line of a bitterly partisan political fight and out of the range of the venom of men who are determined to find evil where none exists."<sup>71</sup> He then identified Service as an outstanding example of those "men sacrificed to the hysteria that has been whipped up in this country by the China lobby . . . ."<sup>72</sup>

Describing the officer as "an exceptionally able career diplomat,"<sup>73</sup> Lattimore not only disagreed with the opinion that there was reasonable doubt as to Service's loyalty but also criticized the entire security standard. It was his conviction that it was very wrong for a man to be subjected to repeated jeopardy, and after many clearances to be finally removed under a new and vague wording.<sup>74</sup>

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<sup>70</sup>Ibid.

<sup>72</sup>Ibid.

<sup>74</sup>Ibid., 3049.

<sup>71</sup>Ibid.

<sup>73</sup>Ibid.

He also discussed Davies, who had been similarly mistreated in his opinion. The Asian scholar declared that the diplomat had "been sent to hide out in non-far eastern countries" by the State Department, which presumably hoped that he "would be there safe from snipers."<sup>75</sup>

When Joseph Alsop testified, he forcefully defended the Foreign Service Officers as patriotic citizens. While still maintaining his disagreement with their ideas concerning policy, he asserted that "the most gross injustice has been done to Mr. Davies and also to Mr. Service . . . ."<sup>76</sup> Although the diplomats were "passionately loyal but mistaken Americans," no person should be condemned for making a mistake.<sup>77</sup> The journalist also avowed that Budenz' testimony was misleading and untruthful.<sup>78</sup>

Another of those accused who came to the defense of Davies and Service was John Carter Vincent. He denied knowledge that either one had ever had connections with the Communist movement.<sup>79</sup> Commenting further about Service, he testified that the diplomat had been an active and intelligent officer.<sup>80</sup> Quizzed at length about the diplomat's involvement in the Amerasia case, he declared that he found it "extremely

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<sup>75</sup>Ibid., 3007.

<sup>77</sup>Ibid., 1403.

<sup>79</sup>Ibid., VI, 1729, 1753.

<sup>76</sup>Ibid., V, 1435.

<sup>78</sup>Ibid., 1403.

<sup>80</sup>Ibid., 1749.

difficult to believe that Service purposely did this in order to aid the Communist party."<sup>81</sup>

The hearings also included a report written in 1945 by Brigadier General P. E. Peabody, Chief of Military Intelligence Service, about the Chinese Communists. This document was significant in that he expressed opinions similar to those contained in the reports of the two Foreign Service Officers. In fact, he even quoted from one of Service's memoranda. While acknowledging that the Chinese Communists were Communists, Peabody pointed out that they were the most effectively organized group in China and that their program was appealing and had mass support. His dispatch ended with the statement that for the moment there was no other recourse than to support Chiang's government, but that the United States should keep in mind that it was backing a government which had lost most of its political following.<sup>82</sup>

When the Internal Security Subcommittee ended its lengthy inquiry, it issued its conclusions in a report. The subcommittee found the Institute of Pacific Relations guilty of all three of the main charges against it--that it was infiltrated and influenced by Communists;<sup>83</sup> that those Communists influenced America's Far Eastern policy;<sup>84</sup> and that

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<sup>81</sup>Ibid., 1754.

<sup>82</sup>Ibid., VII, 2305-10.

<sup>83</sup>Institute Report, 11, 147, 2230.

<sup>84</sup>Ibid., 178, 225.

it misled American public opinion.<sup>85</sup>

Turning specifically to America's policy toward China, the report concluded that the Institute "sought to bring pressure to bear to undermine the Chinese Government, and to exalt the status of the Chinese Communist Party first to that of a recognized force, and then to that of a member of a coalition government."<sup>86</sup> The subcommittee then explained that during World War II "it was the publicly expressed and clearly defined official policy of the United States to aid the Government of Nationalist China," but during this period, "there developed a distinct undermining of this policy."<sup>87</sup> One group used in this strategy was the Foreign Service Officers who served in China in 1943-1945.<sup>88</sup>

The subcommittee believed that the reports of the diplomats, specifically those written by Davies and Service and especially the latter, were most effective in influencing policy-makers in Washington. Avowing that the recommendations included in these dispatches clearly dovetailed with Communist demands<sup>89</sup> and were used in the attempt to subvert American policy, the subcommittee members proceeded to outline the contents of these reports. In their opinion, the Davies-Service dispatches:

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<sup>85</sup>Ibid., 76, 84, 225.

<sup>86</sup>Ibid., 197.

<sup>87</sup>Ibid., 186.

<sup>88</sup>Ibid.

<sup>89</sup>Ibid., 187-8.

extensively advocated interference with the internal affairs of the Chinese Government . . . ; they undermined Chiang . . . ; they stressed the need of democracy as pretext for vitiating the authority of the government . . . They asserted the 'democratic' nature of the Communists and declared that the Communists had their roots in the people . . . and were the real fighters against the Japanese . . . . They exaggerated the weaknesses of the Nationalists . . . ; the unrest in China . . . ; the economic instability of the Government. . . .<sup>90</sup>

In addition to this indictment of Davies and Service, the subcommittee recommended that the Justice Department call a grand jury to determine whether the former should face perjury charges. In a four and one-half page section of its report, the members discussed the testimony of both the officer and Munson before them, concluding that Davies had "testified falsely with respect to his recommendation that [the] CIA employ and utilize certain persons with Communist associations."<sup>91</sup>

The harshness of the subcommittee's findings concerning the activities of the two Foreign Service Officers served only to deepen their problems. While the investigation was progressing, and frequently as a result of it, Davies and Service were experiencing new difficulties. Just prior to the initiation of the hearings, both had been suspended as part of a general review of five hundred cases resulting from the changes in loyalty standards.<sup>92</sup>

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<sup>90</sup>Ibid., 187.

<sup>91</sup>Ibid., 218.

<sup>92</sup>Time, LVIII (July 23, 1951), 9.

## CHAPTER XV

### THE STORM BREAKS

On July 30, the State Department announced that Davies had been cleared by its Loyalty Security Board and was returning to active duty on the Policy Planning Staff.<sup>1</sup> Apparently the principal charges against the officer stemmed from the original complaints of Hurley, as well as the more recent accusations of McCarthy, and the Department pointed out that Davies was awarded the Medal of Freedom on September 7, 1948, for his service in China, 1942-1944. Although the diplomat's case was still subject to the audit of the Loyalty Review Board, the State Department expressed confidence that its board's decision would be upheld.<sup>2</sup> The announcement also noted that Davies was soon to be given a foreign assignment--to the Office of the High Commission for Germany,<sup>3</sup> and his appointment as Deputy Director of the Office of Political

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<sup>1</sup>Department of State Bulletin, XXV (August 13, 1951), 278.

<sup>2</sup>New York Times, July 31, 1951, 1:2, 13:4.

<sup>3</sup>Department of State Bulletin, XXV (August 13, 1951), 278.

Affairs was announced in September.<sup>4</sup>

Almost simultaneous with this assignment, repercussions from the Institute of Pacific Relations hearings began to nag Davies as the McCarran Subcommittee initiated strenuous efforts to persuade the Department of Justice to prosecute the officer. Convinced that the discrepancy between the testimony given by Davies and the information included in the statement made by Munson, the former C.I.A. employee, concerning the officer's proposal to the agency was evidence of perjury, Chairman McCarran sent a transcript of the officer's testimony to Attorney General Howard McGrath on September 21.<sup>5</sup>

James McInerney, Assistant Attorney General, replied on October 29, advising Senator McCarran that the "testimony of Davies has now been examined in light of information available to the Department."<sup>6</sup> As a result it appeared that "there is insufficient evidence of perjury or any Federal violation on Davies' part to sustain prosecution."<sup>7</sup> This opinion did not convince the Internal Security Subcommittee, and on February 15, 1952, Munson was called to testify about the career diplomat's proposal. His testimony further reassured

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<sup>4</sup>U. S. News and World Report, XXXV (December 11, 1953), 108.

<sup>5</sup>McCarran to McGrath, September 21, 1951, Institute of Pacific Relations, XIV, 5440.

<sup>6</sup>McInerney to McCarran, October 29, 1951, Ibid., XIV, 5441.

<sup>7</sup>Ibid.

the subcommittee that their opinion that perjury had been committed by the diplomat was accurate.<sup>8</sup>

Both the young diplomat and the State Department attempted to ameliorate the controversy. Davies issued a statement in Germany declaring that the allegations concerning his proposal had been investigated and found groundless.<sup>9</sup> On February 18, the Department issued a press release pointing out that the information given by Munson had been known to it and that the entire matter had been thoroughly examined at the time of the original incident, more than two years earlier, and any implication that the officer suggested anything inimical to the security interests of the United States was without foundation. The State Department's statement further explained that the controlled use of persons of all shades of political complexion was perfectly compatible with and customary in the business of intelligence and that a suggestion of the kind made by Davies carried no implication of disloyalty.<sup>10</sup>

These efforts were without effect. On February 21, 1952, McCarran wrote again to Attorney General McGrath. He sent the transcript of Munson's testimony and requested that it be examined in conjunction with Davies' as evidence of

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<sup>8</sup>Ibid., VIII, 2751-71.

<sup>9</sup>U. S. News and World Report, XXXV (December 11, 1953), 110.

<sup>10</sup>Ibid.



perjury.<sup>11</sup> McInerney replied on February 27 that he would be glad to review the matter in light of the new material.<sup>12</sup> On March 12, he wrote Senator McCarran again indicating that a preliminary review of all the information available to the Department had been completed. Consequently, it had "been deemed appropriate to conduct further investigation . . . ." <sup>13</sup> He would inform the Senator when this was concluded as to any additional action that the Department might take.<sup>14</sup>

While Davies was experiencing these problems, Service's career reached a crisis point. Although the officer had been cleared by the Loyalty Security Board of the State Department one day after Davies, on July 31, 1951, McCarthy apparently tried to put some pressure on the board during its review. Conrad Snow, Chairman of the board, indicated to the press that the Wisconsin Senator had not contributed a single new item of evidence, and in Snow's opinion, McCarthy was able to "raise so much dust only because (1) he is a Senator of the United States and (2) he speaks in a loud voice and waves in his hand a bunch of photostats that nobody takes the trouble

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<sup>11</sup>McCarran to McGrath, February 21, 1952, Institute of Pacific Relations, XIV, 5441.

<sup>12</sup>McInerney to McCarran, February 27, 1952, Ibid., XIV, 5442.

<sup>13</sup>McInerney to McCarran, March 12, 1952, Ibid., XIV, 5442.

<sup>14</sup>Ibid., 5443.

to examine."<sup>15</sup>

McCarthy did not succeed in affecting the State Department's opinion of Service, but the officer still had to undergo the investigation of the Loyalty Review Board, which took up his case on December 12, 1951. On December 13, after six years of investigation and nine separate hearings, the State Department dismissed Service on the advice of the Loyalty Review Board that there was "reasonable doubt" as to his loyalty because of "intentional and unauthorized" disclosure of classified documents. The basis for this decision was the young diplomat's role in the Amerasia case for in its report the board stated that Service's conduct in China had raised "no reasonable doubt concerning his loyalty."<sup>16</sup>

The board members believed that his reports were honest expressions of his opinions, and they pointed out that other observers had shared the same views. Furthermore, "it was part of his duty to confer with the Communists and report upon what he found and his conclusions as to what should be done."<sup>17</sup> The board noted, however, that Hurley's testimony during the MacArthur Hearings, that Service might have given

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<sup>15</sup>New York Times, October 26, 1951, 12:4.

<sup>16</sup>Institute of Pacific Relations, XIII, 4845. See also New Republic, CXXV (December 27, 1951), 6; Newsweek, XXXVIII (December 24, 1951), 15.

<sup>17</sup>Institute of Pacific Relations, 4845.

a copy of his October 10, 1944, report to the Chinese Communists needed further investigation. Explaining that this information had not been available to them at the time of their hearing, the board members had not examined the officer about it and could not, therefore, make a decision about the question.<sup>18</sup>

The Amerasia case, though, was serious evidence. Although the board agreed that there was no proof that Service had stolen from the official files, he had intentionally loaned Jaffe from eight to nineteen copies of his reports. The members of the Loyalty Review Board had examined these memoranda; although they "were for the most part such as a newspaper reporter on the spot might transmit to his newspaper. Some of them, however, appear to us to be of a nature which no discreet person would disseminate without express authority . . . ." <sup>19</sup> Moreover, some of the reports were very recent, and so "might be considered as 'hot news.'" <sup>20</sup>

The report by the board also pointed out that the diplomat had had several discussions with Jaffe. The information concerning these conversations revealed that "there was some conviviality, and that Service talked freely, discussing, among other things, troop dispositions and military plans

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<sup>18</sup>Ibid.

<sup>19</sup>Ibid., 4847.

<sup>20</sup>Ibid.

which he said he had seen and which he said were very secret."<sup>21</sup>

Of great significance to the board was the evidence that the officer had continued to associate intimately with Jaffe despite his stated dislike for the journalist as a person, even after he had very early discovered that Jaffe was a "very doubtful character."<sup>22</sup> The report noted that Service had asked several people if Jaffe were a Communist and learned that he was sympathetic to the ideology.<sup>23</sup> In addition, the Foreign Service Officer had himself admitted that the journalist tended to take the "party line" on various subjects.

In the board's opinion, therefore, irrespective of whether the documents could properly have been made available to Jaffe, a question of major importance was "Why should Service do it for a man he says he disliked and whom he knew to be very much of a left-winger and, as Service's own statements indicate, whom he suspected of being a Communist?"<sup>24</sup> The board concluded, that

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<sup>21</sup>Ibid., 4848. Service testified numerous times that he had never seen secret military plans, and this was verified by others. See Chapter XI, 390-1, 405-6; Chapter XII, 485-7, 491-2.

<sup>22</sup>Ibid., 4848-9.

<sup>23</sup>Ibid.

<sup>24</sup>Ibid., 4849.

To say that his course of conduct does not raise a reasonable doubt as to Service's own loyalty would, we are forced to think, stretch the mantle of charity much too far.

We are not required to find Service guilty of disloyalty, and we do not do so, but for an experienced and trusted representative of our State Department to so far forget his duty to his trust as his conduct with Jaffe so clearly indicates, forces us, with great regret to conclude that there is reasonable doubt as to his loyalty. The favorable finding of the Loyalty Security Board of the Department of State is accordingly reversed.<sup>25</sup>

The State Department Board, which six times had found the career diplomat free of any suspicion of disloyalty,<sup>26</sup> was not pleased with the ruling of the Loyalty Review Board. It issued a statement, in justification of its position, that it had found Service guilty of indiscretion by turning over classified reports to Jaffe, but had concluded that the material made available by the officer contained nothing harmful to the national security and that this indiscretion did not, therefore, form a basis for finding him disloyal. It also believed that the Amerasia case had made Service more security conscious.<sup>27</sup> The Department further pointed out that the Loyalty Review Board had based its decision on no new evidence, thus implying that the conclusions of the board

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<sup>25</sup>Ibid.

<sup>26</sup>The officer had been cleared by this Board on the following dates: January 18, 1949; March 1, 1950; October 6, 1950; March 7, 1951; June 11, 1951; and July 31, 1951. See New York Times, December 14, 1951, 1:6.

<sup>27</sup>Department of State Bulletin, XXV (December 24, 1951), 1041.

were without real basis.<sup>28</sup>

Although there was favorable reaction to the diplomat's dismissal indicating the feeling that at long last one of the men who had advised American policy in China while the Communists were taking control was out of power,<sup>29</sup> there was also bitter protest. One editorial asserted that the loyalty procedures "never seemed more tyrannical than in the dismissal of John Stewart Service."<sup>30</sup> Noting that while there was no reason for the officer to suspect--"nor has it ever been shown--that Jaffe transmitted information to the Soviet Union . . . he [Service] had a duty as well as a right to provide the facts to accredited editors and reporters."<sup>31</sup> The article further pointed out that the new loyalty standards placed the burden of proof entirely upon the accused, thus making the Loyalty Review Board "little more than a kangaroo court in which no person under heavy political fire had a chance to win vindication."<sup>32</sup>

Another editorial declared that although the diplomat's judgment in giving classified information "to Jaffe seems

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<sup>28</sup>New York Times, December 14, 1951, 1:6.

<sup>29</sup>U. S. News and World Report, XXXVII (November 19, 1954), 56.

<sup>30</sup>Nation, CLXXIII (December 22, 1951), 537.

<sup>31</sup>Ibid.

<sup>32</sup>Ibid.

highly questionable to three old men meeting in Washington in 1951, it seemed a reasonable action under the political conditions of 1945."<sup>33</sup> One journalist asserted that the Service case was evidence that a group of persons who put the interests of Nationalist China ahead of those of the United States had allied with "certain anti-administration politicians who care little for Formosa but a great deal about 1952."<sup>34</sup> Expressing concern that the entire Foreign Service was in danger of falling victim to this alliance, the author also pointed out that the young officer had been dismissed on old evidence under a new ruling.<sup>35</sup>

Service did not accept his dismissal without question, either, and he made the following public statement:

The Loyalty Review Board's decision is a surprise, a shock and an injustice. I am not now and never have been disloyal to the United States. The Board expressly states that it does not find me disloyal.

What it has done is base a "reasonable doubt" on a single episode which occurred six and a half years ago, which has been freely admitted by me and known to all responsible quarters since that time and for which I have been tried and unanimously acquitted at least nine times.

That episode involved discussing normal and proper background information with a journalist whom I believed, and had every reason to believe at the time, to be nothing more than an editor of a reputable specialist magazine

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<sup>33</sup>New Republic, CXXV (December 24, 1951), 6.

<sup>34</sup>Harold C. Hintin, "The Case of Mr. Service," Commonweal, LV (January 18, 1952), 370-1.

<sup>35</sup>Ibid.

dealing with the Far East. The selected material I gave him did not adversely affect or even deal with the national interests of the United States, nor did it come within the meaning of regulations defining the classifications 'secret and confidential.' The information involved was known, or at least available to all of the American correspondents in China. The only thing that kept these facts about China from an uninformed American public was a foreign censorship. The same information had been used repeatedly by me, with official approval, in discussing the situation in China with other writers and researchers in the United States.<sup>36</sup>

He was confident, therefore, that his "record of 18½ years' service to the American Government and the testimony of the many people who have worked with me during that period will support me in my conviction that there is no doubt of my loyalty."<sup>37</sup>

In addition to this protest, Service's dismissal from the State Department marked the beginning of a long, arduous fight by him to regain his position as well as reputation. On December 21, 1951, he filed an appeal challenging the authority of the Loyalty Review Board to reverse his acquittal by the State Department's Loyalty Security Board. Since the dismissal decision had been made by a panel of only three members of the board, the diplomat asked for reconsideration by the entire membership of twenty. Service's brief also criticized the board for its reference to Hurley's charge that the officer had given a copy of one

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<sup>36</sup>Institute of Pacific Relations, XIII, 4849.

<sup>37</sup>Ibid.



of his reports to the Chinese Communists, noting that when the former Ambassador made this statement in the December, 1945, hearings, Secretary of State Byrnes had testified that no evidence had been presented to substantiate it. Service further asserted that the former Ambassador had been invited to testify before the State Department Loyalty Security Board and the Tydings Committee, but he had refused.<sup>38</sup>

The Loyalty Review Board rejected his petition to reconsider its verdict, and shortly after, on January 7, he appealed directly to President Truman to reverse the board's decision. This appeal went to the White House, the Justice Department, and the Civil Service Commission, and in it, the dismissed officer asked Truman to rescind the board's action and name an impartial panel to review the case.<sup>39</sup>

On January 15, 1952, Service appeared in the Senate press gallery, following a speech by McCarthy, and handed out a copy of the letter he had written to the Chairman of the Loyalty Review Board. In this message, he demanded that copies of the minutes of any board meetings at which his case was discussed be made public. He further stated that he could not defend himself against the charges unless he knew what they

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<sup>38</sup>New York Times, December 22, 1951, 5:4.

<sup>39</sup>Ibid., January 8, 1954, 4:4.

were.<sup>40</sup>

The former officer sent on February 4 a second appeal to the President to reverse the decision of the Loyalty Review Board. Truman announced his refusal to rescind the verdict on April 3. Service immediately asked for reconsideration of this rejection.<sup>41</sup>

Throughout the summer of 1952, he continued his efforts to obtain reinstatement. Undoubtedly the Internal Security Subcommittee's report on its investigation of the Institute of Pacific Relations, which was issued on July 2, further prejudiced his case.

Finally, on November 1, 1952, the dismissed officer initiated court action to reverse the ruling of the Loyalty Review Board and to regain his job and pay. He petitioned the United States District Court to find that the board had violated the due process provision of the Constitution and the provisions of the federal loyalty order,<sup>42</sup> but the court ruled against him.

Meanwhile, Davies continued to be plagued by the Internal Security Subcommittee. In June, the testimony of the unidentified C.I.A. agent, who confirmed Munson's allegations, was also sent to the Department of Justice as additional

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<sup>40</sup>Ibid., January 16, 1952, 19:1.

<sup>41</sup>Ibid., April 4, 1952, 10:3.

<sup>42</sup>Ibid., November 2, 1952, 86:1.

evidence of perjury.<sup>43</sup> The subcommittee report, which was issued in early July, further complicated the situation. The report recommended that the Justice Department call a grand jury to determine whether Davies should face perjury charges.<sup>44</sup>

The day after the report was released, the diplomat denied to the press in Germany all allegations of perjury but said that further comments would have to come from the State Department.<sup>45</sup> Although the controversy seemed to rest for a few months, Davies' troubles were not over.

On October 11, the subcommittee again wrote the Department of Justice, inquiring if it had completed its investigation. If so, what conclusion had been reached and was further action to be taken.<sup>46</sup>

In addition, the State Department Loyalty Security Board instituted another investigation of Davies.<sup>47</sup> It cleared the officer on October 17, 1952,<sup>48</sup> but the following month, he was summoned to Washington from Germany for secret hearings before the Loyalty Review Board.

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<sup>43</sup>Institute Report, 221.

<sup>44</sup>Ibid., 212-22. See also Chapter XIV, 565.

<sup>45</sup>New York Times, July 3, 1952, 1:1.

<sup>46</sup>Ibid., April 19, 1953, 19:3.

<sup>47</sup>Ibid., November 15, 1952, 6:3.

<sup>48</sup>Department of State Bulletin, XXVIII (January 19, 1953), 121.

On December 15, the board announced that it approved the favorable findings of the State Department Board having arrived "at the conclusion that there was no reasonable doubt of the loyalty of Mr. John Paton Davies, Jr. . . ."<sup>49</sup> The Loyalty Review Board cleared the officer after it heard secret testimony from him and General Walter Bedell Smith, head of the Central Intelligence Agency, concerning the conflicting testimony during the investigation of the Institute of Pacific Relations.<sup>50</sup> Smith explained that the diplomat's proposed utilization of persons alleged to be Communists had been an intelligence plan, and although he had not been head of the C.I.A. when the plan was put forward, he vigorously defended the loyalty and integrity of Davies. His testimony, which was later made public, was highly complimentary of the officer. The General stated that he "had seen nothing in his performance in his duty that in any way caused me to suspect his loyalty."<sup>51</sup> Ambassador George Kennan, who had been Davies' superior on the Policy Planning Staff at the time of the proposal, also testified in defense of the young diplomat.<sup>52</sup>

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<sup>49</sup>Ibid.

<sup>50</sup>Ibid.

<sup>51</sup>New York Times, December 9, 1953, 5:3.

<sup>52</sup>Department of State Bulletin, XXVIII (January 19, 1953), 121.

Despite this favorable decision, the steadily worsening environment seemed to presage that it was only a temporary reprieve for Davies. It also made certain that Service's efforts for reinstatement would continue to be futile. For, the Red Scare was growing stronger in the United States.

In the elections of 1952, Hurley, who was running for a Senate seat from New Mexico for the third time,<sup>53</sup> reiterated his old charges, contributing his influence to the rising aura of conspiracy. Of even greater importance, the presidential race saw McCarthy reaching a new level of power as the Republican candidate, Dwight D. Eisenhower, ultimately felt compelled to endorse the Wisconsin Senator. With this development, the campaign increasingly focussed on Communism in the government, and as November approached, "Ike" more and more directly accused the Truman administration of softness toward Communists.<sup>54</sup>

This atmosphere was not sufficient to win the election for Hurley, although his opponent's margin was a narrow one,<sup>55</sup> but both Eisenhower and McCarthy won by a landslide. It was acknowledged that the Wisconsin Senator's name had increasing potency in the nation, and he became a real power in Senate

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<sup>53</sup>Time, LXII (December 28, 1953), 10.

<sup>54</sup>Goldman, 224-5, 233.

<sup>55</sup>New York Times, January 3, 1953, 8:8.

committees.<sup>56</sup>

McCarthy was further encouraged to act boldly because of the President's hesitancy to jeopardize his administration by intensifying the division in the Republican party over Communism. The year 1953 thus saw McCarthyism reaching its peak. Month after month, the Senator went to further extremes, and the administration "looked the other way or actually followed his bidding."<sup>57</sup> Shortly after Eisenhower's inauguration, McCarthy declared that there were still Communists in the government, especially the State Department, and urged tighter security controls.<sup>58</sup>

The administration responded by issuing a new set of loyalty-security requirements for all government employees on April 27, 1953. President Eisenhower's Executive Order 10450 extended to the chief administrative officer in every agency in the executive branch the power to dismiss "in his absolute discretion and when deemed necessary in the interest of national security," any employee under his supervision.<sup>59</sup> It also substituted for the old standard of no reasonable doubt as to loyalty the radically new provision that retention as a federal employee was dependent upon it being periodically established that such employment was "clearly consistent with

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<sup>56</sup>Goldman, 250-1.

<sup>58</sup>Ibid.

<sup>57</sup>Ibid., 251.

<sup>59</sup>Koen, 236.

the interests of national security."<sup>60</sup> In addition to treason and evidence of disloyalty, reasons for dismissal now included "any behavior, activities or associations which tend to show that the individual is not reliable or trustworthy," as well as "any criminal, infamous, dishonest, immoral or notoriously disgraceful conduct . . . ."<sup>61</sup>

From the inception of the loyalty program in 1947, the employee was denied certain basic democratic rights. He was not permitted to confront his accusers or even learn their identity. Moreover, he was not informed of the evidence against him. The 1953 revision made the employee's situation even worse. He no longer possessed the right to a hearing or to appeal to an independent review board, and the modification shifted to the suspected employee the entire onus of proving that his employment was "clearly consistent" with security interests.<sup>62</sup>

In this feverish environment, the Senate Internal Security Subcommittee continued its attack on Davies. It reviewed his case again in January in a series of secret hearings. As a result of this inquiry, the subcommittee voted

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<sup>60</sup>Congress and the Nation, 1665.

<sup>61</sup>Ibid.

<sup>62</sup>Edmund Clubb, "National Security and our Foreign Service," Nation, CLXXIX (December 25, 1954), 546. See also Congress and the Nation, 1665.

unanimously to ask the Department of Justice again to determine whether the diplomat should be indicted for perjury.<sup>63</sup>

Another opportunity to explore Davies' case presented itself on February 4, 1953, when General Smith appeared before the Senate Foreign Relations Committee hearing to determine his fitness for confirmation as Under Secretary of State. This session resulted in a fourth request by the subcommittee for a decision on the perjury charges.<sup>64</sup>

This request was sent to the Department of Justice on April 14, and on the 18th, the career diplomat, with no advance notice, was suddenly transferred to the post of Counselor of the Embassy in Lima, Peru.<sup>65</sup> Although the State Department declared that the new assignment was not a demotion and that Davies would continue in the same class and rank, it can be assumed that this change resulted from the continuing pressure from the McCarran Subcommittee.<sup>66</sup> This development, as well as the announcement from the Justice Department that the officer's case was still under active consideration,<sup>67</sup> did

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<sup>63</sup>U. S. News and World Report, XXXV (December 11, 1953), 112.

<sup>64</sup>Ibid., 117.

<sup>65</sup>New York Times, April 19, 1953, 1:6.

<sup>66</sup>Ibid., December 9, 1953, 5:6.

<sup>67</sup>Ibid., April 19, 1953, 19:3.



not satisfy the subcommittee.

In both May and June, it requested the Justice Department's opinion on the case.<sup>68</sup> The Deputy Attorney General replied on July 6, that the Department had not yet reached any final determination. Not to be rebuffed, the Internal Security Subcommittee once again drew public opinion to Davies' record in its report on Communist Subversion in Government which was issued on July 30, 1953.<sup>69</sup>

In November, Senator McCarthy added his weight to the assault on the career diplomat. In a nation-wide radio and television hookup on the 24th of that month, the Wisconsin Senator declared that Davies, who was "part and parcel of . . . [the] group which did so much toward delivering our Chinese friends into the Communists' hands"<sup>70</sup> was still on the payroll after eleven months of Republican administration and called it a blot on the Eisenhower record.<sup>71</sup>

With this worsening of the officer's difficulties, more people came to his defense. George Kennan reiterated that Davies' plan for the C.I.A. was proper, and further noted that what the proposal concerned was still so sensitive

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<sup>68</sup>U. S. News and World Report, XXXV (December 11, 1953), 117.

<sup>69</sup>Ibid.

<sup>70</sup>New York Times, December 9, 1953, 1:3.

<sup>71</sup>Ibid.

that it should not be discussed. He also pointed out that "without his [Davies] knowledge and without mine the matter was reported to the security authorities of our Government before I was able to offer any explanations or make any clarification of the proposal."<sup>72</sup> Because of this, there resulted "a seemingly endless series of charges, investigations, hearings and publicity . . . ."<sup>73</sup> Kennan concluded that he never had "the slightest reason to doubt the honesty or integrity of his [Davies] motives in making these suggestions."<sup>74</sup>

Paul Nitze, who had been Deputy Director of the Policy Planning Staff when the career diplomat offered his plan, declared in a letter to the New York Times that Davies had sacrificed himself in order to maintain government security. He stressed that in his opinion, as well as Kennan's, the officer's "motives were clear, honorable, and in the line of duty."<sup>75</sup> Nitze ridiculed the charges of perjury and asked how could a person defend himself and still maintain security when he was questioned in such a manner.<sup>76</sup>

Despite the efforts of these people, Davies' troubles did not end. As a result of the administration's new security

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<sup>72</sup>Ibid., December 17, 1953, 36:6.

<sup>73</sup>Ibid.

<sup>74</sup>Ibid.

<sup>75</sup>Ibid., December 19, 1953, 14:6.

<sup>76</sup>Ibid.

standards, all government employees had to have their files reviewed in light of the modified criteria. Consequently, Davies was required to undergo a new hearing, and on December 29, 1953, the State Department's Security Officer, Robert McLeod, announced that the officer's case was being considered.<sup>77</sup> McLeod, newly appointed by Secretary of State John Foster Dulles, was overzealous and pushed the recheck of personnel to ridiculous lengths.<sup>78</sup> Davies' career was reaching a critical period.

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<sup>77</sup>Department of State Bulletin, XXXI (November 15, 1954), 752.

<sup>78</sup>Harvey Wish, Contemporary America (New York, 1966), 696.

## CHAPTER XVI

### DAVIES--TRIED AND DISMISSED

Following the State Department's decision in late December that Davies was to undergo a new hearing, he was brought back from Peru for "brief and informal" consultations about his security clearance.<sup>1</sup> On January 20, 1954, Secretary of State Dulles directed that a statement of charges be submitted to the officer, providing him an opportunity to reply, so that the Secretary could determine whether to suspend him. This was done, and Dulles concluded after "a careful examination of the charges, the answers, and the information upon which the charges were based"<sup>2</sup> that the matter required further inquiry. Accordingly, on March 23, 1954, he asked that a Security Hearing Board be designated to consider the case. Davies told the Secretary that he would welcome further examination and voluntarily accept the jurisdiction of the board. Dulles decided not to suspend the officer, as would have been the normal procedure, because he felt that the interests of the nation would not be prejudiced.<sup>3</sup>

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<sup>1</sup>New York Times, January 30, 1954, 9:1.

<sup>2</sup>Department of State Bulletin, XXXI (November 15, 1954), 752-3.

<sup>3</sup>Ibid.

As far as can be ascertained from available information there were eight broad accusations against Davies: (1) he "actively opposed and sought to circumvent United States policy toward China," particularly during the period October, 1944, to January 9, 1954;<sup>4</sup> (2) he "was the leading proponent in the Department (presumably 1954-1951) of the separability of the Chinese Communists from Moscow;"<sup>5</sup> (3) some of his estimates concerning the strength and orientation of the Chinese Communists "were based on insufficient evidence;"<sup>6</sup> (4) the diplomat had submitted from China "unevaluated reports . . . without labeling them as such or otherwise warning the department that . . . he was not underwriting all that was reported;"<sup>7</sup> (5) in his relationship to the press, he "made known his dissents from established policy outside of privileged boundaries;"<sup>8</sup> (6) his relationship with the Chinese Communists was under suspicion; (7) he had associated with a list of individuals regarded by government security officers

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<sup>4</sup>Koen, 220-2. A complete record of the hearings has never been made public, and only Hurley's testimony and the public statement he prepared prior to his appearance were included in the Hurley Papers. Some indication of the charges was revealed, though, in a letter Davies wrote to the Chairman of the hearing board on November 2, 1954. See New York Times, November 6, 1954, 8:3.

<sup>5</sup>Koen, 220-2.

<sup>6</sup>Ibid.

<sup>7</sup>Ibid.

<sup>8</sup>Ibid.

as pro-Communist; and (8) his relationship with Stilwell was also under suspicion (this undoubtedly related to the charge that he encouraged Stilwell to be pro-Chinese Communist and anti-Nationalist).<sup>9</sup>

On May 14, 1954, the Security Hearing Board, consisting of five persons drawn from other agencies, was named under the chairmanship of General Daniel Noce. John W. Sipes, Security Counsel of the Office of Secretary of State, wrote to Hurley on June 7 about the hearings. Noting that the former Ambassador had furnished information to agents of the F.B.I. in July, 1949, and January, 1954, and that he had not indicated unwillingness to testify before a board, Sipes invited him to appear before this one. The Security Counsel explained that if the former Ambassador preferred not to testify in the presence of Davies or his counsel, he could do so in a private session.<sup>10</sup>

Hurley replied on June 17 that he was willing to appear as a witness in the presence of the diplomat and his counsel, but he wanted to know if the Foreign Service Officer would testify before him. The former Ambassador also asked what the charges were against Davies and who had filed them. Although he had read that the career diplomat had already been tried eight different times and each time had been

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<sup>9</sup>Ibid.

<sup>10</sup>Sipes to Hurley, June 7, 1954, Hurley Papers.

returned to duty, he had never heard of what offenses he was acquitted. Hurley then asserted that he did "not wish to appear as a prosecutor or as one who has filed charges."<sup>11</sup> In conclusion, he inquired whether the hearings were to be secret or public.<sup>12</sup>

Answering the former Ambassador almost immediately, Sipes wrote that Davies had no objections to testifying in Hurley's presence. The Foreign Service Officer was also willing to testify in rebuttal to the former Ambassador's testimony and to subject himself to cross examination by Hurley. Regarding the former Ambassador's question about the charges against Davies and who filed them, the Security Counsel explained that he could only say that

Mr. Davies was charged . . . by the appropriate officials of the Department at the direction of the Secretary of State. The statement of charges referred to . . . is regarded as a matter personal between the Department and the employee as long as the employee so regards it. These charges are based upon the classified investigative records of the Federal Bureau of Investigation. However, in view of your role as a prospective witness I believe you are entitled to know those charges are, at least in part, founded upon information furnished by you according to FBI reports and public testimony.

. . . . .

Mr. Davies has been charged with actively opposing and seeking to circumvent US policy toward China during the period 1945-6. More specifically, it is alleged that he displayed an extreme emotional bias against the Nationalist Government of China and pronounced sympathy of the Chinese

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<sup>11</sup>Hurley to Sipes, June 17, 1954, Hurley Papers.

<sup>12</sup>Ibid.

Communists, their program and policies, and that he endeavored to convince Chinese Communist leaders that support of the Chinese Communists was the official policy of the United States Government and that the United States was no longer interested in supporting Chiang Kai-shek.<sup>13</sup>

After receiving this letter, the former Ambassador wrote to Sipes again. Although he agreed, at last, to appear in secret as a witness, he wished to record his "opposition to the secrecy of the hearing which is reminiscent of the history of the old star-chambered (sic) proceedings and in my opinion cannot be justified as a proper procedure in a government by the people."<sup>14</sup> Hurley concluded by stating that his experience had taught him that while he had "obeyed the rules of secrecy required by the State Department, the facts have always leaked in distorted form to keyhole columnists, the Daily Worker (sic) and other subversive left-wing elements."<sup>15</sup>

In preparation for his appearance before the board, the former Ambassador composed a lengthy statement. Although a rambling, disjointed account, it graphically indicated how distorted and exaggerated his memory of his assignment in China had become. Commonplace incidents were given a conspiratorial twist and entirely new incidents were introduced

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<sup>13</sup>Sipes to Hurley, June 18, 1954, Hurley Papers. Emphasis added.

<sup>14</sup>Hurley to Sipes, June 21, 1954, Hurley Papers.

<sup>15</sup>Ibid.



by him. He also repeatedly attributed his difficulties to Davies and Service.

Hurley asserted that those two officers "principally and their friends among the American correspondents insisted from the beginning that we should recognize the leadership of the Communists rather than the National Government of the Republic of China. Davies and Service continually charged me with having sustained Chiang Kai-shek as the leader of China . . . ."16 The former Ambassador additionally accused Davies of "definitely upholding the principles of collectivism, totalitarianism, communism, imperialism, and dictatorship," and of laying "the foundation for the ultimate failure of the United States in China."17

In this statement, Hurley also declared that he had received a letter from the officer, dated January 6, 1945, which included a report outlining all the steps that would "be taken for the Communist conquest of China as definitely as if it had been prepared in Moscow."18 Consequently, the former Ambassador had a long conference with Davies in which a number of topics were discussed. While they were talking about Hurley's first visit to Yen-an, the career officer indicated his resentment that the former Ambassador had ordered

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16 Hurley Statement, June, 1954, 2, Hurley Papers.

17 Ibid., 5.

18 Ibid., 12. This version bares no resemblance to the actual letter. See Chapter IV, 85-9.

him to return to Chungking. Hurley claimed that he told Davies that he had done so because he "had become convinced that he [Davies] was against the American policy in China, against the National Government of the Republic of China and in favor of the Communist conquest of China."<sup>19</sup> Thereupon, the officer

became very emotional and told me in very definite terms that in his opinion the Communist ideal of equality was sweeping the world and that in place of pursuing the blind policy put forth by my country that I should have the sagacity to look out for myself. That if I continued in my present course there would come a day when I would be one of those who would be executed. I believe he used the term "stood up against the wall."<sup>20</sup>

The former Ambassador then stated that after this discussion, he began reading, or having read to him, all the political reports in the Embassy. While

engaged in this work, the Embassy was burned. The date of the burning I believe was February 14, 1945. I immediately directed an investigation, but slowed down when I became convinced that the burning of the Embassy was an inside job. I did not want to cause a spectacle in a war theater that would indicate that Americans in a war theater were so violently opposed to the American policy that they would destroy the Embassy to keep secret their support of Communism.

My first reason for believing that the burning of the Embassy was an inside job was due to the fact that while the fire started about one o'clock at night when everyone was out of the Embassy, enough help arrived in time to move nearly all the records of the Embassy to

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<sup>19</sup>The message which referred to the officer's return trip included nothing of this nature. See Chapter III, footnote 15, 49.

<sup>20</sup>Ibid., 13. No evidence of such comments exists elsewhere in the Hurley Papers.

safety except the reports that were in the political division which were all either destroyed or said to have been destroyed.<sup>21</sup>

Hurley claimed in this statement that he told President Roosevelt of his conclusions concerning the fire,<sup>22</sup> and that the President's response was to authorize him

to relieve from duty in China anyone who in my opinion was serving the cause of the Communists and opposing the American policy. The record is replete with my action in regard to the pro-Communist career men. You will find in my resignation as Ambassador reference to the fact that the American career diplomats were sabotaging the American policy in China.<sup>23</sup>

The former Ambassador next referred to the failure of the first proposal to settle the Kuomintang-Communist differences, the five-point agreement. According to his version, Chou En-lai had informed him that the Communists had enlarged their conditions beyond the five points on the advice of Davies.<sup>24</sup>

Hurley's analysis of the February 28 telegram had also undergone a confused revision. Asserting on one page of his statement that the telegram was written by "Philip Jessup, John Carter Vincent, John P. Davies and others who

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<sup>21</sup>Ibid., 14. Hurley's China Diary recorded nothing untoward about the event when it occurred. See Hurley Papers.

<sup>22</sup>There is no evidence of this.

<sup>23</sup>Ibid., 14-5.

<sup>24</sup>Ibid., 18. In reality, the Kuomintang first rejected the agreement rather than the Communists, who accepted it. See Chapter III, 51-2.

were generally regarded as pro-Communists,"<sup>25</sup> on the next page he claimed that Davies and Theodore White "together with Chou En-lai who is now Minister of Foreign Affairs of Communist China were the principal authors of the Acheson cablegram."<sup>26</sup> This telegram was conclusive proof to the former Ambassador of the identification of the diplomatic officers who were "supporting the Chinese Armed Communists against our ally . . . ." <sup>27</sup>

Davies' transfer from China was then discussed. As Hurley related the incident this time, he explained that he had been asked by the officer to send a telegram indicating support for his transfer to Russia. The former Ambassador declared that he had declined to send the cable, informing Davies that he

doubted the advisability of sending as an American official to Moscow a man who was as definitely pro-Communist and opposed to the American system of liberty as Mr. Davies had proven himself to be. This brought on a heated discussion.

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He [Davies] actually scoffed at what I called Americanism and said that the experiment of America in that system was a failure and that the people were ready for Communism and that Communism was the force that would

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<sup>25</sup>Ibid., 23.

<sup>26</sup>Ibid., 24. Hurley's initial accusations regarding the authorship of the telegram had been directed against Service and Acheson.

<sup>27</sup>Ibid.

finally succeed and would create a definite equality among all people. Our argument was heated, but I persisted in not recommending Mr. Davies for the position he desired in Moscow.<sup>28</sup>

Hurley added that when he was in Washington in March, 1945, he requested permission from Secretary of War Stimson to have the career diplomats placed under his command. According to his account, he explained to Stimson that if these men were "returned to me I would release them from duty in China."<sup>29</sup>

When the former Ambassador described his final altercation with the career officer, he stated that it occurred following his return from the United States. In this version, both of them were having breakfast at Wedemeyer's home when the topic of Hurley's refusal to recommend Davies for a transfer arose. The officer became "highly emotional," according to the former Ambassador, and asserted that

I [Hurley] would suffer for what I said to him. General Wedemeyer has testified that he did not remember the words that were spoken, but I wish to say that I persisted in saying that Davies' attitude toward the

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<sup>28</sup>Ibid., 25. There is no evidence to substantiate these particular comments, and they sound strikingly similar to the description Hurley later gave of his final meeting with Davies. It should also be noted that the officer was assigned to the Soviet Union in January, 1945.

<sup>29</sup>Ibid., 25. Once again, no proof exists at present that he made the latter statement to Stimson. These comments infer that Davies was still in China in March, but he had already been assigned to Russia.

principles of the American system of liberty and government were such that I would have to recommend that he be discharged from the service.<sup>30</sup>

Referring to the other investigations of Davies, the former Ambassador asserted his belief that the officer had not "repented" and that the American people were entitled to the "true facts about his record not only in China, but in the other eight episodes concerning which charges have been made against him."<sup>31</sup>

Another topic of discussion included in the former Ambassador's statement concerned a military plan (apparently the one of January 29) which he said had been given the Communists by Service. Hurley claimed that his source of information was the Communists who had told him that the officer gave them the plan during a trip he made to Yen-an following his return from the United States in March, 1945. The former Ambassador additionally contended that this was an unauthorized trip because the officer "obtained on my authority, which I had not given him, the use of a military plane to transport him from Chungking to Yen-an . . . ."<sup>32</sup> Although Hurley admitted that he had no evidence to connect Davies with this episode, he declared that his experience

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<sup>30</sup> Ibid., 26.

<sup>31</sup> Ibid., 27.

<sup>32</sup> Ibid., 25. Wedemeyer's Chief of Staff had sent Service on a mission to the Communist capital. See Chapter V, 149.

had been that the "two gentlemen [Davies and Service] operated always together."<sup>33</sup>

Despite the preparation of the above statement, the former Ambassador's testimony before the board varied considerably from it. His comments were more incoherent and on the three days which he testified, he was frequently asked, without success, to be more specific. Not surprisingly, it was Sipes, Security Counsel for the State Department, who usually attempted to limit Hurley's ramblings. He also dominated the interrogation of the former Ambassador, undoubtedly with the hope of determining the exact nature of his charges and what, if any, evidence existed to substantiate them.

During his first two appearances on June 26 and 28, Hurley devoted considerable time to a discussion of his problems with Service as well as a variety of other topics, such as the Yalta agreement and the Atlantic Charter. Repeated interruptions, almost always from Sipes, asking how these comments related to Davies resulted only in the response that he would "connect" it all.

The former Ambassador's testimony concerning Davies gradually degenerated into a rambling reiteration of his initial statements. He began his discussion of the officer

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<sup>33</sup>Ibid., 31. As noted earlier, Davies was gone from China when this incident occurred.

on the 26th with the assertion that he had been told that the career diplomat "was the man" who had led the attack by Foreign Service Officers, including Service, and journalists criticizing him, the Ambassador, for formulating his own policy in China.<sup>34</sup> Hurley then went into an effusive defense of himself, denouncing those who accused him of knowing nothing of China before his assignment there and of following his own policy in that nation, asserting that he had some familiarity with China and that he had only been following his directives.<sup>35</sup>

When the former Ambassador continued to talk only in generalities, one of the board members finally asked him for more specific evidence concerning Davies. This led to the declaration that the career diplomat had told him on numerous occasions that the "National Government of the Republic of China was corrupt and didn't deserve the American support . . . ."<sup>36</sup> Later in his testimony, Hurley cited Davies' report of November 7, 1944, as additional proof that the young officer believed that the "Communists, not the free government, being our ally, should have control of China."<sup>37</sup>

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<sup>34</sup>"Davies Hearings," June 26, 1954, 4-5, Hurley Papers.

<sup>35</sup>Ibid., 18.

<sup>36</sup>Ibid.

<sup>37</sup>Ibid., 24. For a summary of the two reports Davies wrote on the 7th see Chapter IV, 77-80.



The former Ambassador also discussed Service's report of October 10, 1944, declaring that although it would be unfair for him to attribute the document to Davies, both of these officers were in Yen-an at that time and shared the same views.<sup>38</sup> Hurley further testified that the report was circulated among the Communists and that he had received a copy of it from Chou En-lai. When one of the board members inquired if he had seen the document before it was given him by Chou, the former Ambassador replied that he had not, adding that the Communists "knew more about what the recommendations were that were going to the American State Department and the Army than I did. I wasn't getting these reports. I was being by-passed."<sup>39</sup>

Asked by Sipes how this situation became after he was appointed Ambassador, Hurley replied that it "became tighter. I got nothing from the military-diplomatic reports. They were not given to me and I will, when I get to that point, show you what ends were--how far they went to keep me from knowing the truth about what the political relations were between the Army and the Communists, and the Communist Party."<sup>40</sup> Following this comment, the former Ambassador was requested to clarify if he was testifying that he personally did not receive

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<sup>38</sup>Ibid., 21. It was later revealed in the hearings that Davies was not in Yen-an on October 10.

<sup>39</sup>Ibid., 23.

<sup>40</sup>Ibid., 24-5.

any reports or that they were not sent to the Embassy when he was Ambassador.<sup>41</sup> Responding "Well, I wouldn't know that and that crowds me on the question, but our Embassy was burned on February 14," he then presented his interpretation of the fire, pointing out that his suspicions had been aroused because "all the records of the Embassy were saved except the political reports. They were all either missing or destroyed."<sup>42</sup> When a board member asked if the political files were kept in the same room with the other files, Hurley replied no and abruptly turned to another topic.

At a later time, the former Ambassador was queried further about the reports. He presented an elaborate answer, explaining that he only became concerned when General Wedemeyer told him that the memoranda of his political advisors seemed to be against the Nationalist government and favorable to the Communists. Although the General had argued that these men might sincerely believe what they reported, he made certain that Hurley received copies of the reports in the future. Hurley then reiterated that when he began reading these documents, the Embassy burned.<sup>43</sup>

One board member then wished to know whether Davies

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<sup>41</sup>Ibid., 26.

<sup>42</sup>Ibid., 27.

<sup>43</sup>"Davies Hearings," June 28, 1954, 62, Hurley Papers. A copy of the memoranda prepared by the Foreign Service Officers assigned to the Commanding General were always sent to the Chungking Embassy. See "Opinion of the Loyalty Security Board," Institute of Pacific Relations, XIII, 4839.

and Service reported to Gauss any differently than they did to him. The former Ambassador answered that he did not know and insisted that he had not expected to be treated any differently. The member interrupted to explain that he had asked the question because he understood that Hurley "took the position that this was something of a personal attack on you, that it was opposed to your personal policy rather than Government policy, and you were therefore being circumvented."<sup>44</sup> The former Ambassador angrily responded that efforts had been made to circumvent him but he had never complained about the reports merely because they were going directly to the military commanders. He did not

care whether I got what [was] in the reports or not if the military commander didn't want to give them to me. Finally he asked that they all be relieved and that he rely on me for his information, which he did, and we got along very well. We had no difficulty after that whatever. But so far as me being angry and thinking that these men were not showing me the proper deference, that is clearly beside the thing. I never had any idea of that kind. I disclaim it. It would be belittling me. We were in a cause that was greater than any of us . . . I didn't care to whom they reported nor when, but what I was interested in was whether or not we were all fighting for the same cause.<sup>45</sup>

Hurley was also asked about his claim that the career men had been giving their reports as well as other information to the Communists. The board wanted to know specifically if

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<sup>44</sup>Ibid., 67-8.

<sup>45</sup>Ibid., 70-1. Hurley had asked Wedemeyer to return his political advisers to his authority.

Davies had been one of those men. The former Ambassador replied that he had never found any documents written by the diplomat in the possession of the Communists but Chou En-lai and Chu Teh had continually quoted Davies to him. At times they had contradicted him, stating that the Foreign Service Officer had told them that what Hurley said was not the policy. In the exchange that followed between the former Ambassador and the board, Hurley did admit that it was possible that the Communists had been trying to array Americans against Americans.<sup>46</sup>

While discussing his efforts to obtain an agreement between the Communists and Nationalists, Hurley made some additional accusations. He told the board that he "knew who was pro-Communist in the Army, in the State Department, in the Embassy in China, before I went to Yen-an for the conferences . . . ." <sup>47</sup> He testified that he had read an intercepted letter, written by John Stewart Service, in which the officer "had named the parties who could be relied upon to support the cause of the Chinese [Communist] Armed Forces," <sup>48</sup> and Davies was "named in the document as one." <sup>49</sup> Asked by Sipes if that was his only source of information, he replied that he had learned who the pro-Communists were from a series

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<sup>46</sup>Ibid., 63-4.

<sup>47</sup>"Davies Hearings," June 26, 1954, 53, Hurley Papers.

<sup>48</sup>Ibid., 54.

<sup>49</sup>Ibid., 55.

of documents "that were intercepted from Yen-an . . . ."50

Other career diplomats cited by the former Ambassador as members of this group were Raymond Ludden and Arthur Ringwalt. Several journalists, a soldier, and a treasury employee were also named.<sup>51</sup> When queried about additional evidence, he replied that the Communists had told him

definitely that the State Department was on their side and was against the National Government. And they quoted to me John P. Davies as one of the supporters of the Communist Party against the National Government of the Republic of China. And they told me openly that the policy that I was trying to make effective was not the policy of the United States but was my personal policy, and they quoted Mr. John P. Davies as having said that.<sup>52</sup>

There was no question in his mind, therefore, that "the strongest support against the American policy in China was the American career diplomats," and Davies "was one of them."<sup>53</sup>

Hurley then described his first arrival in Yen-an and his decision to send the Foreign Service Officer and Theodore White back to Chungking because "we had enough in our own camp against us."<sup>54</sup> He continued that Davies and the other supporters of the Communists had "opposed any kind of coalition whereby the Communists would submit to the control of our

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<sup>50</sup>Ibid.

<sup>51</sup>Ibid.

<sup>52</sup>Ibid., 57.

<sup>53</sup>Ibid., 58.

<sup>54</sup>Ibid., 60. This was the incident he referred to in his prepared statement.

ally . . . ."55 During a later phase of his testimony, he added that he had ordered the career diplomat from the Communist capital because he had "information at that time that seemed to indicate that he [Davies] was also pro-Communist and anti-National Government . . . ."56

The former Ambassador also devoted much time to his interpretation of the Chiang-Stilwell controversy, expressing the opinion that the Generalissimo had been cooperative. Finally interrupted by Sipes to ask about the relevance of his comments, he asserted that Davies, "more often than any man in China," expressed the opinion that the United States was losing the war because Chiang Kai-shek would not cooperate.<sup>57</sup>

This launched Hurley into a lengthy and emotional description of the propaganda which had been directed against him. Declaring that the reports "written by Mr. Davies, Mr. Ludden, Mr. Service," were the basis of this criticism, he further testified that the information for the scurrilous editorial in the Atlantic Monthly had been provided by Davies.<sup>58</sup>

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<sup>55</sup>Ibid., 62.

<sup>56</sup>"Davies Hearings," June 28, 1954, 32, Hurley Papers.

<sup>57</sup>Ibid., June 26, 1954, 33-6.

<sup>58</sup>This was not mentioned in the letter he wrote to the editor of the magazine in protest of the article. See Chapter XI, 391.

Another major topic of discussion concerned the telegram of February 28, 1945. The former Ambassador asserted at this time that it had been written by Theodore White and Chou En-lai. When he was asked by Sipes if Davies had anything to do with the preparation of the message, he responded with such an incoherent answer that he was finally pressed to answer whether he could specifically state "that Mr. Davies had any hand in the drafting of that, or was actually present . . . ." <sup>59</sup> To this request, Hurley replied, "No, sir, I am not." <sup>60</sup>

The board later questioned the former Ambassador if he thought the telegram was in the proper area of reporting and recommending or if it was an undermining of policy. Answering that he had never criticized anyone for wanting to change policy, he declared that the purpose of the message had been to urge the arming of the Chinese Communists, whose goal was to overthrow the Nationalist government. <sup>61</sup> Hurley followed this allegation with an extensive defense of Chiang and his regime.

The subject of Davies' transfer from China was also introduced into his testimony, and the former Ambassador

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<sup>59</sup>"Davies Hearings," June 26, 1954, 82, Hurley Papers.

<sup>60</sup>Ibid.

<sup>61</sup>Ibid., June 28, 1954, 55.

stressed that he had not recommended the officer's appointment to Moscow. When asked about a telegram dated December 26, 1944, signed "Hurley" and sent to the Secretary of State which had recommended Davies, he said that he had neither written nor approved it.<sup>62</sup>

The former Ambassador testified that he had recommended, though, that the officer be relieved from duty in China. He then described in detail their final confrontation, just prior to Davies' leavetaking for "some place in Iran."<sup>63</sup> According to Hurley, the Foreign Service Officer had asserted during this conversation "that communism would take over and I would be one of the first casualties when they did . . . ."<sup>64</sup> At this the former Ambassador, who testified that he was trying to keep the discussion from becoming personal, retorted that what the officer was saying was "seditious. You are against the United States."<sup>65</sup> As the argument intensified, he finally told Davies that he had recommended that the

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<sup>62</sup>Ibid., 35-7. This must be referring to the cable found in the Hurley Papers on which the former Ambassador had pencilled that Davies had given it to him on December 21 and that he had refused to send it. It seems obvious that this written comment had been added at a later time. See Chapter IV, 84.

<sup>63</sup>"Davies Hearings," June 28, 1954, 37, Hurley Papers. As stated before, the diplomat was immediately transferred to the Soviet Union after his China assignment.

<sup>64</sup>Ibid., 38.

<sup>65</sup>Ibid.



career diplomat "be relieved from duty in China. I think now you are guilty of sedition, and I am going to recommend that you be dishonorably discharged from the service of the United States."<sup>66</sup>

Davies, thereupon, became

highly emotional and wept. He pleaded with me not to do that. He mentioned members of his family whom I knew and whom I liked and respected very much. I relented, not immediately but after while. I am not telling all of the things, but John Davies put himself in the most suppliant position to me, begged for forgiveness and told me that he would never give me cause to ever say again to him what I had said if I would give him a chance and not make that recommendation.<sup>67</sup>

He had finally told the officer, "John, I am still of the opinion that you should be out of this theater. I am not going to try to tell the State Department where to put you. I wouldn't let you go to Moscow, but I will not make a charge of sedition against you and will not request that you be dishonorably discharged from the service."<sup>68</sup>

Several questions were directed to Hurley concerning this aspect of his testimony as well as the information he had given to the F.B.I. on January 29, 1954. At that time he had stated that Davies had told him that he (the former Ambassador) "represented the class of Americans in control of

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<sup>66</sup>Ibid.

<sup>68</sup>Ibid.

<sup>67</sup>Ibid.

our Government who were upholding that system of decadent democracy which cannot endure."<sup>69</sup> Queried whether the career diplomat had made that comment during their final altercation, he said that Davies had said something to that effect then as well as on other occasions. When more information was requested about this attitude held by the officer, the former Ambassador indicated that he had felt Davies was still favorable to Communism when they later met in Moscow.<sup>70</sup>

Following this discussion, one of the board members solicited Hurley's interpretation of the duties of a political adviser. He immediately responded that the first responsibility of every American was to his country and to his government. Asked if Foreign Service Officers should present their analyses of a situation even if it were distasteful, the former Ambassador affirmed that they should. The board member then inquired of Hurley how he distinguished between what was merely distasteful information expressed by Davies and that which the former Ambassador criticized. Interrupting, Hurley asserted that the officer communicated erroneous information, citing the officer's advice to Stilwell that Chiang would not cooperate as such false data. The former Ambassador's contention was, therefore, that Davies and the other Foreign

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<sup>69</sup>Ibid., 41.

<sup>70</sup>Ibid., 43-4.

Service Officers did not report the correct facts.<sup>71</sup>

Sipes also asked Hurley how he differentiated between disloyalty to the United States and disloyalty to United States policy, and of which, if either, did he accuse the career diplomat. A lengthy discussion ensued, during which the former Ambassador admitted that the officers were "all disloyal to the policy," but "they were not all disloyal to the United States."<sup>72</sup>

Hurley's comments then trailed off into an emotional outburst against the White Paper, which he attacked for trying to make him appear as a pro-Communist. His bitterness and hurt were revealed when he asserted: "It is unfair. It is unfair for your government to treat you in that way after you have attempted to serve it decently."<sup>73</sup>

The former Ambassador's tirade was finally halted by Sipes who inquired whether Hurley's position toward Davies in the December, 1945, hearings had been that the officer was disloyal to him and had undermined United States policy in China. He also wished to know if the former Ambassador felt the same way in 1954. Hurley replied that although some of his testimony nine years earlier could be construed to mean

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<sup>71</sup>Ibid., 46.

<sup>72</sup>Ibid., 48. Emphasis added.

<sup>73</sup>Ibid., 50.

that Davies had been disloyal to him that had not been his intention. Instead, he had meant that the officer was disloyal to policy. The former Ambassador further asserted that in his earlier testimony, he had tried "to go light" on Davies.<sup>74</sup>

Hurley acknowledged, under questioning, that his directives were secret, but he declared that he had informed all American officials in China of the policy. No one, therefore, "could truthfully say that they didn't understand that the policy was to uphold the National Government of the Republic of China, and in addition to that to sustain the leadership of Chiang Kai-shek."<sup>75</sup>

The former Ambassador was then asked if he still agreed with the statement he had given the F.B.I. in July, 1949, when he had indicated that he believed that Davies was very sympathetic to the Communist party in China, did not support American policy, and wished to bring about the collapse of the Nationalist government. He responded in the affirmative.<sup>76</sup>

Reference was also made to the MacArthur hearings during which Hurley had testified that Davies, Service, and Ludden were sabotaging the American policy and were in favor

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<sup>74</sup>Ibid., 52.

<sup>75</sup>Ibid., 53.

<sup>76</sup>Ibid., 57-9.

of the overthrow of the Nationalist government by the Communists, and the former Ambassador was asked if his present position was the same. He replied with great certainty that it was, but added that he had always been careful not to refer to the career officers as Communists because he did not think he could prove it. He could judge, though, by a person's action whether he was a "pro-Communist or anti."<sup>77</sup>

Following this discourse, Hurley was interrogated by Benjamin R. Shute, Davies' defense counsel, who frequently questioned the accuracy if not the veracity of the former Ambassador's testimony. The lawyer expressed doubt concerning Hurley's statement that the career diplomat had misled Stilwell about Chiang Kai-shek's willingness to cooperate, noting that the General was an "Old China Hand" and had great knowledge of Chiang. The former Ambassador responded, after great rambling, that he would not totally blame Davies, but all of the reports written by him and the other advisers to Stilwell had been opposed to the Generalissimo and favorable to the Communists.<sup>78</sup>

Shute and Hurley also discussed whether the career diplomat was in Yen-an at the time that Service wrote his report of October 10, 1944, as the former Ambassador had

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<sup>77</sup>Ibid., 65-6.

<sup>78</sup>Ibid., 74-87.

testified. When the lawyer pointed out that Davies' first visit to Yen-an was on October 22, 1944, Hurley immediately inquired under whose orders he went to the Communist capital since Wedemeyer had not arrived in China at that time. The question was directed to the diplomat, who replied that he had gone under Stilwell's previous orders. Davies not only read the order but presented a document from the Nationalist government which gave him permission to go.<sup>79</sup>

The former Ambassador was then asked if he had talked with the Foreign Service Officer after Davies' return from Yen-an and if the diplomat had played any role in encouraging him to go to the Communist capital. Hurley immediately responded no.<sup>80</sup> Shute also quizzed the former Ambassador about his testimony that an intercepted letter written by Service had been partially responsible for his decision to send Davies back to Chungking. Noting that this message had not been mentioned before, the lawyer wanted to know more about it. Hurley replied: "Well, of course, again, that is more than ten years ago and I wouldn't remember, but it was pro the Chinese [Communist] armed party and was anti the National Government, and especially anti the American policy,

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<sup>79</sup>Ibid., 91-2.

<sup>80</sup>This is interesting since the Hurley Papers included a message from Davies urging him to visit Yen-an. See Chapter III, 45-6.

and inclined to be opposed to me personally."<sup>81</sup> Queried as to what the letter said about Davies, the former Ambassador replied that it had "just named him among those who he depended upon to support the idea" of "recognition of the Communist party as the unit of government that America would support in China."<sup>82</sup> He continued that he had received the letter from a Chinese source, which was signed "Jack" and in Service's handwriting, but he had no copy of it. Hurley acknowledged, under questioning, that he had not made any inquiry as to how the letter came into the possession of the Chinese even though it had aroused his suspicions.<sup>83</sup>

As the former Ambassador continued his discourse, Shute interrupted to inquire what else the message had said about the people it listed. Hurley's response was that the letter was not that detailed. He also admitted, significantly, when asked how well he knew Service's handwriting, that he had not known the officer well enough to ever receive letters from him, but he had "seen his handwriting on several occasions before."<sup>84</sup>

The next major topic of inquiry introduced by the lawyer concerned the conversations between Davies and the

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<sup>81</sup>"Davies Hearings," June 28, 1954, 94, Hurley Papers.

<sup>82</sup>Ibid., 94-5.

<sup>83</sup>Ibid., 96-7.

<sup>84</sup>Ibid., 104.

former Ambassador during November and December, 1944. Hurley readily admitted that he had a number of discussions with the diplomat at that time, but when he was asked if Davies had said anything subversive, he only responded with vague and irrelevant comments.<sup>85</sup> Shute finally broke in to ask if they could return to the question. The former Ambassador angrily retorted that he had talked of his disagreements with Davies, and if the lawyer wished to reexamine him on this, he should "read the record to me and ask me if I said it and I will tell you."<sup>86</sup>

When Shute responded that he was not inquiring about the departure scene but the former Ambassador's earlier talks with the Foreign Service Officer, Hurley insisted upon beginning a windy description of it. The lawyer again interrupted, stating that he was not asking about that particular conversation but those in which they considered how the Chinese Communists could be separated from any ties with the Soviet Union. Asked specifically if he remembered such conversations, the former Ambassador acknowledged that they probably had discussed the topic.<sup>87</sup>

Davies' lawyer then inquired of Hurley if he felt that his client's basic philosophy made him "lean" toward the Chinese Communists, and the former Ambassador answered:

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<sup>85</sup>Ibid., 122-3.

<sup>86</sup>Ibid., 124.

<sup>87</sup>Ibid., 128.



"Yes, at least away from the American system."<sup>88</sup> Shute pursued this further by asking if it was the "Chinese Communists versus the American system of liberty; or was it Chinese Communists versus the prevailing system in the National Government?"<sup>89</sup> Hurley responded: "No. Everyone who was against the Nationalist Government was trying to pitch the issue on that basis."<sup>90</sup> He then trailed off on another tangent.

After again trying, unsuccessfully, to lead the former Ambassador back to the topic of subverting the Chinese Communists from Russia, perhaps by a coalition government, Davies' lawyer asked him if most of the discussions he had with the officer concerning Communism were in the context of Chinese Communism. Hurley answered yes, but continued talking.<sup>91</sup>

The lawyer interrupted to state: "General, wasn't the whole idea that the Communists might prevail in China so far against your nature that you naturally turned away from it?"<sup>92</sup> The former Ambassador immediately retorted: "No, sir. I have heard that old Communist line so often that I revolt

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<sup>88</sup>Ibid.

<sup>90</sup>Ibid.

<sup>92</sup>Ibid.

<sup>89</sup>Ibid., 129.

<sup>91</sup>Ibid., 133.

against it."<sup>93</sup> He then began a very long diatribe against those who had criticized him and asserted that he was "the only man who has ever got a coalition or a unification agreement signed by the Chinese Communists."<sup>94</sup> He indignantly continued until Shute again broke in: "General, I did not suggest that you did not cooperate in any sense. I did suggest, however--and I will rephrase it--that advice from young Foreign Service officers that the coming vital force in China was the Communist party and not in the National Government was something that turned against your stomach."<sup>95</sup> Hurley responded: "Oh, no. I think I dreaded that result more than any young Foreign Service officer in China, but they felt it was inevitable and I felt it was not, that if America handled its power correctly that it wouldn't become the dominant force, and I was trying to prevent it from becoming."<sup>96</sup>

After this discourse, Shute read the former Ambassador a passage from Herbert Feis' book, The China Tangle, which stated that neither Hurley nor the Foreign Service Officers had believed that the Communists were closely allied to Moscow but that they differed in their conclusions.

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<sup>93</sup>Ibid.

<sup>95</sup>Ibid., 136.

<sup>94</sup>Ibid., 135.

<sup>96</sup>Ibid., 137.

The officers had thought that if the United States showed the Communists friendship they would ally with America whereas the former Ambassador had been of the opinion that if no aid were given them, they would yield to the Nationalists.<sup>97</sup> Asked to comment on this excerpt, Hurley angrily replied:

That is a surmise stated brilliantly by a man who didn't know what he was talking about. He has never been in China. That book is written all in defense of John Paton Davies and these boys, and they couldn't have written it better themselves, and its making me appear as a rather obtuse fellow who didn't quite understand what it was all about, and that the young Foreign Service men who were pro-Communists had the idea--.<sup>98</sup>

The former Ambassador attacked the book at great length, calling it "propaganda" and more pro-Russian and anti-American in its conclusions than the White Paper. He also denounced other works on China, such as those by Theodore White, Edgar snow, and Harold Isaacs.<sup>99</sup> Not satisfied with bludgeoning these authors, Hurley continued his tirade by attacking Dean Acheson, the White Paper, and the Yalta agreement.<sup>100</sup>

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<sup>97</sup>Feis, 262-3.

<sup>98</sup>"Davies Hearings," June 28, 1945, 140, Hurley Papers. This is especially interesting since Service indicated in a letter to the author his feelings that Feis had been unfair to the Foreign Service Officers.

<sup>99</sup>These books have all been critical of the Nationalist government and fairly sympathetic to the Communists.

<sup>100</sup>"Davies Hearings," June 28, 1945, 140-3, Hurley Papers.

The conclusion of his first two days before the board came with the assertion that he was testifying only to those things about which he was certain. The former Ambassador avowed that he had been told many things about Davies: "that he is one of the authors of the White Paper; I have been told that he worked on this book with Herbert Feis; I have been told that he worked on something for the Saturday Evening Post (sic) with Joe Alsop; I have been told that he worked with Edgar Snow, but I don't know those things."<sup>101</sup> Consequently, he had not discussed them.<sup>102</sup>

Hurley appeared again on July 8, after Davies had testified,<sup>103</sup> and he spent most of his time disputing statements that had been made by the officer. He denied that he had castigated Davies at a luncheon on December 22, 1944, as the officer had stated, for attempting to "wreck" the Communist-Nationalist negotiations during a trip he made to Yenan, and accused Davies of attributing to him "in the most derogatory manner statements that I never made."<sup>104</sup> He finally admitted, though, that he had told the career diplomat "that he was deliberately wrecking--and that was his

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<sup>101</sup>Ibid., 148.

<sup>102</sup>Ibid.

<sup>103</sup>As stated earlier, no complete record of the hearing has ever been released, but Secretary of State Dulles stated that Davies testified in his own behalf. See Department of State Bulletin, XXXI (November 15, 1954), 752.

<sup>104</sup>"Davies Hearings," July 8, 1954, 4, Hurley Papers.

purpose. And I'm not certain whether it was on this 22nd day, but I did tell him, I acknowledge that I told him, that he was the greatest obstruction to the unification of the armed forces in China."<sup>105</sup>

There followed a lengthy discussion of Davies' transfer from China, and the former Ambassador was asked several times if he had approved any messages concerning the officer's assignment to Russia. He replied that he was presented two such messages but had declined to approve them. Although more information was requested, Hurley was unable to offer anything relevant.<sup>106</sup> During this exchange, he asserted, though, that "nearly every time I saw Mr. Davies, the burden of his talk to me was that he was saving me. I needed a guardian and he was the man who knew everything and he'd save me from very serious consequences if I would take his advice. That was his continuous argument with me."<sup>107</sup> Not the proper thing to tell an egomaniac such as Patrick J. Hurley!

Describing his last meeting with the diplomat, the former Ambassador confirmed that he told Davies that what he was saying was seditious and that he should be dishonorably discharged from the Foreign Service. He denied, though, as the officer had apparently testified, that he had used the

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<sup>105</sup>Ibid., 5.

<sup>107</sup>Ibid., 24.

<sup>106</sup>Ibid., 23-4.

expression that he would "break his [Davies] back."<sup>108</sup>

When Shute asked Hurley how he became convinced that the career diplomat was pro-Communist, he replied that he "talked to John Davies and he convinced me."<sup>109</sup> The former Ambassador added that during the departure scene he had tried "to save" the officer.<sup>110</sup> Requested to describe what Davies had said which he thought was seditious, he responded that the officer had indicated that Communism "was a cleaner, finer democracy, [more] representative of the people, than ours."<sup>111</sup>

Hurley was then asked if at the time of that statement they had been discussing the American way of life versus the Russian way of life or Chinese Communism versus the Chiang regime. Replying that he thought they had been debating the difference between liberty and dictatorship and that the officer had stated his preference for the Communist philosophy to that of the American system, he noted that his opinion of Davies' attitude was based on many conversations.<sup>112</sup> He also reiterated that the career diplomat had told the Communists continuously, or so they had indicated to him, that the policy he advocated was not the official policy of the United States.<sup>113</sup>

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<sup>108</sup>Ibid., 24.

<sup>110</sup>Ibid., 26.

<sup>112</sup>Ibid., 28.

<sup>109</sup>Ibid., 25.

<sup>111</sup>Ibid., 27.

<sup>113</sup>Ibid., 29.

Interrupted by Shute who inquired if the main difficulty between him and Davies had not been that the former Ambassador felt that the officer was blocking his efforts in China, the former Ambassador retorted that Davies had no quarrel with him. When the lawyer asserted that that was not a fair summary of the documents, Hurley replied that it was his summary. His understanding was that the officer's "quarrel was with his government and the policy of his government. It wasn't my policy; it was the policy that was given to me."<sup>114</sup>

Shute next asked the former Ambassador about his testimony that he had had the State Department relieve Davies from China. Specifically asked if he had made his request by letter or cable, Hurley said no--it had been while he was in Washington.<sup>115</sup> The exchange which followed was revealing of the incoherent nature of the former Ambassador's testimony:

Shute: "That was when you were back in February and March of '45?"<sup>116</sup>

Hurley: "Well, he was gone then. I asked that he be relieved when I asked that someone be sent to me other than these so-called pro-Communist boys . . . . Now, you ask when was the first time that I asked that he be relieved. I don't know. You'll have to look at the record."<sup>117</sup>

Shute: "Well, he was on his way out of China finally when he had the talk with you at General

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<sup>114</sup>Ibid., 30.

<sup>116</sup>Ibid.

<sup>115</sup>Ibid., 31.

<sup>117</sup>Ibid.

Wedemeyer's house. He was in China and you were in China, and he was leaving that day."118

Hurley: "Yes."119

Shute: "Now, do I gather then you did not ask him to be relieved from the China Theater while he was in China?"120

Hurley: "I'm sorry--."121

Shute: "I say do I gather then, since you asked him to be relieved when you were home in Washington, subsequently, that you did not ask his relief from China during the period he was in China?"122

Hurley: "Yes. Yes, I did. I think you can get a little more definite on that from General Wedemeyer because I don't have the record on it, but I did ask that Davies, Ludden, Service--I don't recall that I mentioned John Emmerson, Ringwalt--anyway I had recommended that they be relieved because of the fact that I felt that they were definitely opposed to the National Government, our ally."123

Shute: "Well, General, what I'm trying to get is whether you asked this when Mr. Davies was still in China."124

Hurley: "I'm sure that I did."125

Shute: "Then that must have been by some kind of writing, I take, or by oral message."126

Hurley: "Well, it would possibly be by writing, although it might have been orally, and given by teletype, because they set up a teletype and I talked to Washington every once in a while."127

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118 Ibid., 32.

120 Ibid.

122 Ibid.

124 Ibid.

126 Ibid., 33.

119 Ibid.

121 Ibid.

123 Ibid.

125 Ibid.

127 Ibid.



When Shute asked the former Ambassador if he had asked for the resignations of these officers as a group or singly, he replied:

"Well, I considered John P. Davies as the top hand of the group he was the leader of the group."<sup>128</sup>

Shute: "Well, sir, what I'm asking is whether your request for relief of one or more of these was embodied in one request or whether there were--."<sup>129</sup>

Hurley: "No, I think there were different--I recall some of it where we had a meeting and I wanted to see how many of the diplomatic officers who were in favor of the American policy. I have the statement that was taken by a stenographer at that meeting where I told them what the policy was, told them definitely that the story that John P. Davies was putting out that it was my policy was not correct. I told them it was the policy of my government and their government, and I laid it all out to them in a meeting and there is in the State Department a record of that meeting."<sup>130</sup>

In response to additional questions, the former Ambassador indicated that he was not certain if he had a record of the conference or if Davies had been present at it.<sup>131</sup> Shute also asked Hurley if he had ever communicated his belief that the career diplomat had made seditious comments to anyone. He first answered that he had told

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<sup>128</sup>Ibid.

<sup>129</sup>Ibid.

<sup>130</sup>Ibid., 34. The only record of such a meeting is dated June 18, 1945, even though Hurley later indicated that he thought it took place sometime in November, 1944. The former Ambassador referred only briefly to Davies during his statement. See Chapter VI, 181-6.

<sup>131</sup>"Davies Hearings," July 8, 1954, 35, Hurley Papers.

Secretary of State Stettinius while he was in Washington and when pressed for other names, he added that he might have informed Roosevelt.<sup>132</sup>

The last topic discussed by Davies' lawyer and the former Ambassador concerned whether Hurley believed that there was a Communist conspiracy in the State Department. Queried about this, the former Ambassador responded:

Now, I won't be indefinite about this, I don't have any question but that there was a Communist conspiracy in the State Department, having gone through it as I have, having seen my Top Secret documents stolen or taken by someone from the State Department and delivered to the Communist, Philip Jaffe, in New York and the Communist Amerasia (sic) magazine, where some 1800 of them were recovered and repossessed by the FBI; and then when you follow the Whittaker Chambers hearing, when you follow the case of Alger Hiss, when you follow the fact that these young men were arrested and because we didn't want to have a row with Russia during the war they were immediately released; having lived through that, and your own documents and yourself involved in it, why there isn't any question whatever in my mind but that we did have a Communist conspiracy in the State Department. And it wasn't confined to the State Department alone. We had it in the Agriculture Department; we had it in the Treasury Department.<sup>133</sup>

Hurley then concluded this outburst and his appearance before the Security Hearing Board with the declaration that there

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<sup>132</sup>There is no evidence that Hurley made such comments to either of these men. Besides, Davies was already in Russia by the time the former Ambassador went to the United States.

<sup>133</sup>"Davies Hearings," July 8, 1954, 38-9, Hurley Papers. Emphasis added.

was "infiltration in the State Department and Communist conspiracy. And the purpose of it was the overthrow of the United States Government."<sup>134</sup>

In addition to the former Ambassador, four other persons who had furnished derogatory information about Davies gave testimony, all but one doing so in the officer's presence. Six people also testified on behalf of Davies.<sup>135</sup> After consideration of all the available information, the board unanimously decided on August 30 that the "continued employment of Mr. Davies is not clearly consistent with the interests of national security."<sup>136</sup> Receiving this decision, Secretary of State Dulles began an independent review of the case.

Unaware that the Security Hearing Board had made its decision and that Dulles undoubtedly had also made his determination as to the final disposition of the case, the career diplomat wrote a long letter in defense of himself to the Chairman of the board. This letter was an eloquent summary of the controversy and of Davies' views regarding United States policy toward China.

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<sup>134</sup>Ibid., 39.

<sup>135</sup>Department of State Bulletin, XXXI (November 15, 1954), 752.

<sup>136</sup>Ibid., 753.

Opening with the statement that he had understood the national policy of the United States in respect to China to be the traditional doctrines of "equality of commercial opportunity, the 'open door,' and the preservation of China's territorial and administrative integrity"<sup>137</sup> plus the war-time additions of inducing China to make a maximum contribution to the war against Japan and trying to help China come out of the war strong, independent, and on the American side, the officer asserted that he was "of course, heartily in accord with this national policy."<sup>138</sup> He continued his discussion of this policy, noting that

implicit in our recognition of the National Government of China was a subsidiary policy of support of that Government and its leader, Chiang Kai-shek. I do not remember any explicit statement issued by the United States Government to the effect that its policy was to support the National Government of China and Chiang Kai-shek. At the same time I do not believe that the board will find in any of my papers of the period under consideration any recommendation that the United States should withdraw support from the National Government of China or Chiang Kai-shek. I did believe, however, that the power relationship among the various Chinese factions was radically changing, that the National Government was steadily declining, that the Communists were steadily gaining, and that this trend was not likely to be reversed by anything we would be willing to do. Holding inflexibly to a policy that seemed doomed to collapse, I thought, would lead to serious damage to American national interests.

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<sup>137</sup>Davies to Lt. General Daniel Noce, November 2, 1954, New York Times, November 6, 1954, 8:3.

<sup>138</sup>Ibid.

When a Foreign Service officer concludes that a policy is likely to betray our national interests, he can reason to himself that; an ultimate responsibility for policy rests with the top officers of the department, he need feel no responsibility for the course upon which we are embarked; furthermore, his opinions might be in error or misunderstood or misrepresented-- and so the safest thing for a bureaucrat to do in such a situation is to remain silent. Or, a Foreign Service officer can speak out about his misgiving and suggest alternative policies, knowing that he runs serious personal risks in so doing. I spoke out.<sup>139</sup>

Davies also pointed out that

subsidiary to the policy of inducing China to make a maximum contribution to the war against Japan was, as I recall and has been indicated, the policy of activating and supporting the maximum Chinese force, including Communist.<sup>140</sup>

During his final months in China, the "question was not whether the Communists should be armed, but in what context."<sup>141</sup> The officer then explained that several persons had advanced proposals for arming the Communists, adding that his own suggestion for this "was so heavily qualified as to be, in retrospect, non-operative."<sup>142</sup>

In December, 1944, Hurley had begun, though, to assert, without confirmation from Washington, that American policy was one of unqualified support of the National Government of China and the Generalissimo. This was a policy which . . . seemed to me to be full of danger to American interests. In a sense, General Hurley was simply articulating a hitherto accepted

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<sup>139</sup>Ibid.

<sup>141</sup>Ibid.

<sup>140</sup>Ibid.

<sup>142</sup>Ibid.

assumption. On the other hand, it could be said that he was enunciating a policy just at the time its validity, its basis in the realities of a rapidly shifting situation had become questionable.<sup>143</sup>

In Davies' opinion, Washington was also uncertain regarding policy. Acknowledging that some of his estimates of the Chinese situation had been based on limited evidence, he stressed that the

urgency and gravity of the crisis which I believed to be descending upon us caused me to come to conclusions more rapidly than I would have had I not felt that time was so short. For the same reason, I stated my position more flatly than I otherwise would have.

Had I been more deliberate, had I waited for all the evidence to come in, I would not have made some of the errors evident in my memoranda. Nor would I have predicted well ahead of the event that, for example, the U.S.S.R. would move into Central Europe, that it would enter the Pacific War for its own strategic purposes, that a Soviet-Chinese bloc would ensue . . . when none of these ideas were finding general acceptance at that time among most other Americans. Instead, I would have, along with my compatriots, watched events overtake evidence.

In short, there do occur situations in which, if one is to anticipate events (which is expected of Foreign Service officers) and not function as a historian, we must speak up on the basis of inadequate evidence.<sup>144</sup>

Referring to his relationship with the press, the diplomat asserted that he had not understood that Wedemeyer wished to stop him "from continuing to speak frankly in my contacts with American press representatives. I did not believe in misleading the American press--and through it the American public--nor do I think General Wedemeyer would have

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<sup>143</sup>Ibid.

<sup>144</sup>Ibid.

wished me to do so."<sup>145</sup> He pointed out that the newspapermen had been well aware of what was going on in China, consequently, he believed that his comments to them were "sober, discreet, and moderate."<sup>146</sup> Moreover, the press briefings he gave were "not on his own initiative, but on standing instructions."<sup>147</sup> Davies then added that he could remember "no leaks of official secrets from me."<sup>148</sup>

The officer also justified his association with the Chinese Communists, asserting that he had cultivated them for only one purpose--to obtain information. He had done so with the knowledge of his superiors and American colleagues, and his relationship had been an open one.

Davies then asserted that it took misrepresentation or defamation by only one to start government suspicions for denunciation inspires denunciation. Not only had he not been told who all of his accusers were, he did not know until he was formally charged the full scope of the allegations against him. He also expressed the opinion that not all of those who had investigated him were qualified.<sup>149</sup>

While agreeing that a Foreign Service Officer must subordinate his judgment about his contacts to the government,

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<sup>145</sup>Ibid. He noted that the board had been very interested in this press relationship.

<sup>146</sup>Ibid.

<sup>147</sup>Ibid.

<sup>148</sup>Ibid.

<sup>149</sup>Ibid.

the young diplomat pointed out that officers were not officially informed what contacts were undesirable. Furthermore, members of the diplomatic corps must, of necessity, associate with many or otherwise they would not be able to do their job. In conclusion, Davies expressed his regret for the recriminations but reaffirmed his conviction that a precarious balance between restraint and liberty had to be maintained in regard to career officer freedom.<sup>150</sup>

On November 5, three days after the above letter was written, Dulles made the official announcement that he agreed with the Security Hearing Board that the young diplomat's employment in the Foreign Service should be terminated, explaining that the board's decision "stemmed preponderantly not from derogatory information supplied by others but from its own thorough . . . analysis of Mr. Davies' known and admitted works and acts . . . and his direct admissions and deficiencies as a witness . . . ." <sup>151</sup> Critical of the officer's personal demeanor before them, the members of the panel felt that his testimony "did not inspire confidence in his reliability and that he was frequently less than forthright in his response to questions."<sup>152</sup>

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<sup>150</sup>Ibid.

<sup>151</sup>Department of State Bulletin, XXXI (November 15, 1954), 753.

<sup>152</sup>Ibid., 753-4.



Although the board defended Davies' right "to report as his conscience dictated,"<sup>153</sup> it found that his

observation and evaluation of the facts, his policy recommendations, his attitude with respect to existing policy, and his disregard of proper forbearance and caution in making known his dissents outside privileged boundaries were not in accordance with the standard required of Foreign Service officers and show a definite lack of judgment, discretion, and reliability.<sup>154</sup>

Although neither the board nor Dulles found that the officer "was disloyal in the sense of having any Communistic affinity or consciously aiding or abetting any alien elements hostile to the United States or performing his duties or otherwise acting so as intentionally to serve the interests of another government in preference to the interests of the United States," it was "not enough that an employee be of complete and unswerving unloyalty. He must be reliable, trustworthy, of good conduct and character."<sup>155</sup>

The Secretary of State concurred, therefore, with the decision of the Security Board. Thus, with no question of his loyalty involved--but after almost a decade of charges and investigations--John Paton Davies, Jr., a career diplomat for twenty-three years, was dismissed from the State Department.

Davies accepted the decision quietly. Shortly after being informed of his dismissal, he issued a brief written

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<sup>153</sup>Ibid., 753.

<sup>154</sup>Ibid.

<sup>155</sup>Ibid.

statement, in which he said that he would be "content to let history be my judge . . . . There has been enough recrimination. I am not prepared to add to it and thereby detract from the strength of my country in its mortal struggle with the Communist enemy."<sup>156</sup> He did ask, however, that the record of his case be made public.<sup>157</sup> During a television interview on December 12, the diplomat indirectly referred to his case when he asserted that some persons had embraced practices and measures that were "dubiously grounded in American tradition" to meet the real threat of subversion.<sup>158</sup> This comment was the closest Davies would come to protesting his discharge from the Foreign Service.

The reaction of some people, however, was not as subdued. Typical of the more restrained criticism was George Kennan's protest, in which he asserted that under the "most charitable interpretation, his [Davies'] dismissal represents a tragic misunderstanding . . . ."<sup>159</sup> After proclaiming his respect for the diplomat's integrity, judgment, and insight, Davies' former superior avowed that the discharged officer "deserved better of the Government . . . ."<sup>160</sup>

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<sup>156</sup>New York Times, November 6, 1954, 8:8.

<sup>157</sup>Ibid.

<sup>158</sup>Ibid., December 13, 1954, 15:3.

<sup>159</sup>Ibid., November 6, 1954, 8:8.

<sup>160</sup>Ibid.

Eric Sevareid, a journalist and news commentator who had shared a wartime experience with Davies, expressed shock that the diplomat was dismissed because he lacked "sufficient judgment, discretion, and reliability."<sup>161</sup> The newsman then declared that the Security Board's test of Davies' character must have "been one of supernatural design" for he had seen its "victim measured against the most severe tests that mortal man can design. Those he passed. At the head of the class."<sup>162</sup>

Another author, writing in the Foreign Policy Bulletin, placed the blame for the decision on the entire security system which "sacrifices the employee to the politician. The Foreign Service officer to hindsight . . ."<sup>163</sup> Pointing out that the Security Board had had no diplomatic or Foreign Service experience to temper its judgment, he added that if the members had doubted the word of Davies' accusers, their own reliability would have been questioned. The author also noted that Dulles judged the diplomat's views from "the standpoint of today's changed opinions and new situations . . ."<sup>164</sup> He concluded that

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<sup>161</sup>Eric Sevareid, "Defects of Character, but Whose?" Reporter, XI (December 2, 1954), 32.

<sup>162</sup>Ibid.

<sup>163</sup>Neal Stanford, "Security System a Risk for U.S.," Foreign Policy Bulletin, XXXIV (December 15, 1954), 51.

<sup>164</sup>Ibid.

the ruling created great danger for the future of the United States because it meant that Foreign Service Officers "will never report as they think, lest it be held against them in years to come, nor will they talk with the press, lest they be fired for talking outside privileged boundaries. Original thinking will be put in deep freeze."<sup>165</sup>

Others who opposed the diplomat's dismissal were even more indignant in their protest. One magazine article was especially vehement. After noting that Davies was regarded by his colleagues as "one of the most brilliant and dedicated men in the government,"<sup>166</sup> the author expressed the opinion that the officer was fired because he had "dared to tell the truth about Chiang Kai-shek."<sup>167</sup> In addition, Davies had disagreed with Hurley, "the cowboy diplomat," and "disagreement with the Honorable Pat is about the strongest testimonial to any man's judgment and intelligence it would be possible to find."<sup>168</sup> But

in the eyes of the Formosa wing of the Republican party . . . and their China Lobby clacque (sic)--the very accuracy of Davies' judgment was an unforgiveable crime. They are committed to the myth that Chiang is a stainless hero . . . that the loss of China must be blamed, not on him, but on 'traitors' in the Democratic administrations . . . anyone who challenges this legend is, to them, an enemy who must be destroyed at any cost.<sup>169</sup>

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<sup>165</sup>Ibid.

<sup>166</sup>Harpers, CCX (January, 1955), 20.

<sup>167</sup>Ibid.

<sup>168</sup>Ibid.

<sup>169</sup>Ibid.

If Davies' dismissal from the State Department generated this degree of criticism from persons who possessed only vague, generalized information about his final hearing, they undoubtedly would have been even more shocked and angered if the entire record had been made public. For if Hurley's testimony, which appeared that of a foolish if not senile man, was typical of that given by the others who testified against the officer, Davies was dismissed on the basis of twisted, exaggerated, and inaccurate allegations. The Red Scare had reaped another, but one of its last, victims.

## CHAPTER XVII

### CONCLUSION

The story of the dismissal of Davies and Service from the State Department was only a small eddy in the historical currents of the war and the decade following it. It was, however, an event both symbolic and unique of this era. Other China specialists came under criticism, and two resigned under pressure. In February, 1952, O. Edmund Clubb handed in his resignation. Although he had just been reinstated to the Foreign Service as a result of Secretary of State Acheson's reversal of the Department's Loyalty Security Board's decision that the officer was a security risk, he felt that his value to the Service had been destroyed. His case would also have been subject to review by the Civil Service Loyalty Review Board, which might have recommended his termination.<sup>1</sup> John Carter Vincent resigned in March, 1953, and applied for retirement. Secretary of State Dulles had unofficially informed him that he was upholding the Loyalty Review Board's verdict that the officer's employment with the State Department should

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<sup>1</sup>Department of State Bulletin, XXVI (March 17, 1952), 437-9; New York Times, February 12, 1952, 10:3.

be terminated.<sup>2</sup>

Another "Old China Hand," George Atcheson, Jr., would undoubtedly have been placed in similar circumstances if it had not been for his accidental death in August, 1947. Enroute to the United States from his assignment in Japan, the airplane in which he was traveling crashed at sea.<sup>3</sup>

Davies and Service were, therefore, the only ones discharged from their positions. Of greater importance, they were the two men who had been most severely and frequently criticized by Hurley.<sup>4</sup> The story of their controversy with the Oklahoman will never be complete. Contemporary records

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<sup>2</sup>Department of State Bulletin, XVIII (March 23, 1953), 454-5. Although the Secretary did not believe the record indicated that Vincent was a security risk, or that there was reasonable doubt as to his loyalty, as the board did, he concluded that the officer's "reporting of the facts, evaluation of the facts, and policy advice--show a failure to meet the standard which is demanded of a Foreign Service officer of his experience and responsibility at this critical time." Ibid., 455.

<sup>3</sup>"Atcheson, George, Jr.," Current Biography, 1947 (New York, 1948), 16.

<sup>4</sup>Clubb was not stationed in China during the time of Hurley's assignment there and was never mentioned by the former Ambassador. Vincent was cited only a few times by Hurley as one of the State Department officers who opposed his efforts in China. Atcheson was frequently and bitterly castigated by the former Ambassador during the initial investigation of his charges and in the years immediately following, but after the officer's death, he was never mentioned again by Hurley.

are too sparse and time twisted the tale in the mind of Hurley, forever confusing it. Although the controversy did not come to full fruition until the early 1950's in the United States, it had its genesis in China, and a number of the factors which contributed to its development are known.

Most significant was the personality of the former Ambassador. An egotist with a violent temper, he tolerated no challenge to his authority. When his hopes for a glorious finish to his career was threatened, he immediately began a search for a scapegoat, incapable of accepting that some of the reasons lay within himself.

Another factor was President Roosevelt's lack of faith in the State Department and his reliance upon personal diplomacy. This alienation of the Department's personnel only intensified their resentment of the intrusion of non-professionals and their sense of frustration that their counsel was being ignored. F.D.R.'s belief in special emissaries also boosted Hurley's confidence that he would be upheld in any conflict with the Department of State.

In addition, there was not complete clarity about America's China policy during the war years. President Roosevelt identified with Chiang Kai-shek, as he did with all dominant personalities, and he empathized with the Generalissimo's problems. In this attitude, he found the Oklahoman in complete agreement. America's relationship with the Nationalist government was made even stronger by the



decision that military consideration must take precedent over all else. Fear that Chiang would be alienated by too much pressure and possibly halt completely the Chinese war effort led United States officials to "go easy" with the Generalissimo, thus encouraging a dying regime to resist the reforms that might have saved it.

Although the predominant orientation of America's China policy was to support Chiang Kai-shek, there was concern, from the very beginning of the war, about the division, and potentially disastrous relationship between the Nationalists and the Communists. This was further complicated by the nature of the Chinese Communist movement. The rise of Mao and the Long March had signalled a uniquely Chinese and separatist era. Isolation from the Soviet Union and conviction that there would be a long transitional period before the ultimate triumph of Communism fostered reliance not only upon democratic slogans but tactics as well. These characteristics of the Yen-an group stood in distinct contrast to the dictatorial, corrupt regime of the Nationalists. In addition, this was the era of cooperation with all anti-fascist groups, and the Chinese Communists had demonstrated this characteristic with considerable ability.

It was to be expected, therefore, that the officers in the field, especially those who spent time in the Communist capital, became increasingly disturbed about the Chinese situation and America's policy regarding it and expressed

these views in their reports. Another ambassador might have accepted the more flexible policy that the Foreign Service Officers advocated, but Hurley was not amenable to suggestions, especially those which reflected criticism of him.

Possessing a record of difficulty with professional diplomats on previous government missions, the Oklahoman arrived in China with almost no knowledge of the country and its problems but with the President's total confidence and his own self-assurance. Initially, he plunged himself into his assignment with great enthusiasm and high expectations of accomplishment. He soon found himself, though, threatened with overwhelming problems--language barriers, physical discomforts, lack of understanding of the intricacies of Chinese politics, and people who viewed his mission with pessimism.

The first major task facing Roosevelt's emissary related to the dispute between Stilwell and Chiang; not surprisingly when a choice had to be made between the two men, he decided in favor of the latter. The Generalissimo and the group that surrounded him had immediately set out to charm Hurley, a man always susceptible to flattery, and they had succeeded in convincing him that Chiang was indispensable to America's goals in China. Hurley's recommendation that General Stilwell be recalled, no matter how well based, did not, however, endear him to the professional soldiers and diplomats who respected the General.

The rapid departure of Ambassador Gauss, another

"Old China Hand," upset more of the American personnel in China, especially the Embassy staff who had enjoyed great freedom under Gauss. As the new Ambassador, Hurley attempted to rule the Embassy with an iron fist.

These feelings of irritation worsened as the Oklahoman's early genialty evaporated in the face of his problems, and he began to demonstrate his famed temper. Convinced that his failure to achieve quickly a settlement between the Communists and Nationalists could not be his fault, he looked elsewhere. His poor relationship with the professional staff provided his fertile mind with many likely targets. One particular group against whom his hostility developed was the Foreign Service Officers assigned to the commanding general, especially Davies and Service.

Hurley resented their freedom from his control, and when he came to realize that their viewpoints, primarily demonstrated in the officers' reports, did not always coincide with his, the open antagonism began. His awareness of their memcranda unfortunately came just when the Ambassador's concept of his mission was undergoing change. Support of Chiang Kai-shek and the Nationalist government was now of first importance to him. Moreover, his new position heightened his desire to have total control over all affairs in China.

His first challenge was to Davies. Of all the officers assigned to Generals Stilwell and Wedemeyer, the Ambassador had the greatest personal contact with him. Although their

early relationship was amicable, by the end of 1944, it became quite strained. Consequently, Davies requested permission to leave China, but before this occurred, Hurley threatened to have the officer "thrown out" of the service. The Ambassador relented from this, but his irritation remained.

Believing, though, that his problems with Davies were over, and with Service on leave in the United States, Hurley's distrust proliferated. In January, he made accusations of treason. An investigation conducted by Wedemeyer revealed no evidence of such behavior, but a shakeup in the military establishment was carried out by the General, thus reassuring the Ambassador that the military was under control.

With these developments, Service became the primary object of Hurley's suspicions. When the officer returned to China, he was angrily told by the Ambassador to stop interfering with his mission. Undoubtedly upset by this reprimand, the officer recognized, though, that Hurley was not his superior. He also realized that the Ambassador, in his frustration, had been striking out at his own staff. More important, Service felt that the lack of progress in Hurley's negotiations and the declining power of Chiang's government demanded that he keep the United States accurately informed of the situation. He was not alone in this feeling. Most of the members of the Chungking Embassy, who knew that the Ambassador was sending very optimistic reports to Washington, were in agreement. One of the results of this concern and

sense of responsibility was the February 28 telegram which was sent while Hurley was in the United States. Bitterly resentful of this tactic, the Ambassador saw it as further evidence of disloyalty to him.

By this time Hurley visualized himself as single-handedly carrying out American policies and imagined differing opinions as plotting to undermine him. It was not surprising, therefore, that Service was recalled, at the Ambassador's request, shortly after the incident of the telegram. Hurley also demanded that the entire Embassy staff be reorganized.

The Ambassador's feeling of victory at overcoming his enemies was brief. It was not long after his return to China that his sense of persecution began to flourish again, spreading to include the new officers of the Embassy as well as some of the members of the military establishment. Even Wedemeyer was accused of not demonstrating proper respect. Several developments, such as the Amerasia case and Davies' new assignment to the Soviet Union, also aroused him to believe that these two men continued to have an unhealthy influence upon his assignment.

As the months passed, the Oklahoman became more certain that his work was being sabotaged. The chasm between the Nationalists and the Communists was growing wider, despite his efforts, and it was increasingly apparent that a Hurley agreement was not to be. The Ambassador began, therefore, to consider resigning. Some evidence also exists that he was

encouraged to give up his post in the belief that a dramatic resignation, placing the blame for his failure on the State Department, would arouse the nation to give greater support to the Nationalist government. This appealed to the Ambassador's mentality, which would not permit him to accept defeat.

The story of Hurley's decision to resign is complicated, but it was handled in typical flamboyant fashion. The charges of sabotage and disloyalty he leveled at the State Department and the Foreign Service Officers, especially Service and Davies, surprised the government and the nation, and a Congressional inquiry was called to investigate them. The Senate Foreign Relations Committee, and most of the American people, rejected his allegations, as they appeared inconsistent and without proof.

The former Ambassador remained determined, however, to vindicate himself publicly. Although the nature of his charges appealed in December, 1945, to only a small segment of the Republican party and the China Lobby, by 1947 the political climate of the nation was changing. America's China policy, and thereby Hurley, gradually moved to the center of the political arena. The two driving forces of this movement were the China Lobby and partisan politics, and they would ultimately intertwine.

The Republicans, who had long identified with Asian affairs, became increasingly critical of the administration's

China policy. The China Lobby added its financial and propaganda influence. Moreover, the American people, unable to cope with the crises of the postwar decade, were becoming more receptive to the Communist conspiracy theory.

Between 1947 and 1950, the nation's fears, the restiveness in the Republican leadership, and the party's identification with Asia combined to provide the environment in which a second Red Scare could grow. A series of shocks in 1949, especially the collapse of the Nationalist government, contributed to easy acceptance by many that Chiang Kai-shek had been sold down the river by the State Department.

Every effort by the administration to defend its policies, such as the White Paper, only resulted in louder shouts by its various critics, including Hurley, of a Democratic whitewash. The stage was thus set for McCarthy to enter the stage, and from 1950 to 1954, he was one of the leading players. The first major Congressional investigation of these years was generated by his allegations, which were in part based upon the former Ambassador's.

The failure of this hearing to end the suspicions in the minds of many Americans and most Republicans, plus the emergence of new problems in Asia, stimulated a series of investigations. Each one became more partisan and more responsive to the Communist-influence thesis. They also provided Hurley with an opportunity to reiterate his old charges, which increasingly focussed on Davies and Service.

Additional evidence as well as new charges were added by others, including many ex-Communists, who had by then become the source of absolute truth as to who had been or was Communist or pro-Communist. It was through this tortuous procedure of hearings, clearances, and revised loyalty standards calling for new investigations, which ultimately led to the dismissal of both these officers from the State Department. Of what were Davies and Service guilty?--nothing. Their only crime was that they were intelligent, dedicated men, who believed that it was their professional responsibility to report honestly their observations. Unfortunately their performance of duty challenged Hurley.

Although other charges, such as Davies' C.I.A. proposal and the Amerasia case which involved Service, contributed to the decision to discharge these two officers, Hurley's allegations against them is the underlying theme of the story. The Oklahoman's attack on these men may have been merely accidental as he came to suspect virtually everyone of plotting against him, but Davies and Service were especially vulnerable. They were not under his authority, and their reports attracted considerable attention in China and the United States. The controversy apparently originated over a mere question of authority and professional rivalry but with the passing of each frustrating year, political overtones of disloyalty and the sense of conspiracy grew stronger. The record provides graphic evidence of a deteriorating mind which



gradually attributed events, originally regarded as commonplace, with sensational, if not lurid, significance.

In another time, Hurley would have been ignored but the post-war environment saw the emergence of men who realized that his charges could be used. He ultimately became a tool of those who were gambling for higher stakes than the mere vindication of a hot-headed ex-Ambassador, and his role in the controversy with the Foreign Service Officers was sometimes submerged in the larger currents of the crucial decade.

Although the activities of the China Lobby remain somewhat mysterious, there is no doubt that it was significantly involved in the politics of that period. Well-endowed financially, the organization used its influence to foster America's identification with and support of Chiang Kai-shek and his regime. Its efforts were made easier by the international Communist movement, the ambitions of the Republican party to regain control of Congress and the White House, and the failure of the Democrats to involve more completely the G.O.P. and the public at large in the formulation of its China policy. By 1950, the appearance of Joseph McCarthy added another theme to the already entangled web. The second Red Scare began, and the revised loyalty security regulations which came into effect demonstrate the fear of not only the Democratic administration but even Eisenhower during his first two years in office to charges of laxity

concerning Communism in the government.

It was in this milieu that Davies and Service were dismissed--tragic victims of an age which saw basic American rights disregarded and professional diplomats judged guilty, not of disloyalty but of nonconformity, by men ignorant of the operation of the Foreign Service and the political realities of China.

## EPILOGUE

On June 17, 1957, the Supreme Court of the United States decided that Service had been improperly discharged by the State Department in 1951 and remanded his case to the Federal District Court in Washington, D.C. for further action.<sup>1</sup> Consequently, this court ordered on July 3 that the former officer be restored to his status when dismissed and that all evidence of his dismissal be expunged from the Department's records.<sup>2</sup> After a six year battle, John Stewart Service went back to work for the Department of State on September 3, 1957.<sup>3</sup>

Davies, who had originally made no effort to vindicate himself, decided in 1964, after ten years of self-imposed exile in Peru, that the time had come to clear his name and returned to the United States.<sup>4</sup> As a result of the efforts of his attorney, a position was located for him in 1967 with

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<sup>1</sup>New York Times, June 18, 1957, 1:4; Time, L (September 16, 1957), 29-30.

<sup>2</sup>New York Times, July 4, 1957, 14:2.

<sup>3</sup>New York Times, September 4, 1957, 12:4.

<sup>4</sup>John W. Finney, "The Long Trial of John Paton Davies," New York Times Magazine, VI (August 31, 1969), 7; Leonard Gross, "John Paton Davies, Jr.: Quiet End to a Shabby Era," Look, XXXIII (March 4, 1969), 82.

a research group in the Center for International Studies at Massachusetts Institute of Technology, and the State Department was petitioned for a security clearance for the former officer. For the tenth time, the Department made an inquiry into his reliability. On January 13, 1969, more than fifteen years after his dismissal, the Under Secretary of State issued a memorandum that a security clearance for John Paton Davies, Jr. "would be clearly consistent with the interests of national security."<sup>5</sup>

A less hysterical America thus finally recognized that these men had been wrongfully dismissed from the State Department. More ironically, most people now realize that their observations were not only startling prescient but that the more flexible policy they advocated should at least have been attempted.

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<sup>5</sup>Gross, 82.

## BIBLIOGRAPHICAL ESSAY

### I. Archival and Manuscript Sources

Without the use of the Patrick J. Hurley Papers, University of Oklahoma Library, Norman, Oklahoma, it would have been impossible to write this dissertation. A man who believed in his own greatness, Hurley apparently saved everything--personal papers as well as documents derived from his various careers. This extensive collection provided, therefore, the major source of data for the Oklahoman's assignment in China. There are also numerous items from the post-war period which documented the transformation which occurred in Hurley's mind concerning his controversy with the Foreign Service Officers. The Papers contain the only record available, although incomplete, of Davies' appearance before the Security Hearing Board in 1954, which resulted in his dismissal from the Foreign Service. The collection was still not catalogued or indexed at the time it was researched for this dissertation; hence, no additional information can be provided for the numerous citations from it.

The Joseph W. Stilwell Papers, Hoover Library, Stanford University, Palo Alto, California, contributed immeasurably to understanding of the Stilwell-Chiang dispute and to Hurley's role. The collection was also an excellent source of information concerning the military situation in China in 1944.

When research was done on this dissertation, there was no material available relating to the topic in the Harry S. Truman Library, Independence, Missouri, and the Dwight D. Eisenhower Papers, Dwight D. Eisenhower Library, Abilene, Kansas, failed to provide any significant data. Access to unclassified files of the Department of Army, located at the Federal Record Center, Kansas City, Missouri, was obtained, but they proved to be of little assistance.

Correspondence with many of the participants of the Hurley-Foreign Service Officer controversy was of great benefit to the author. Although most of those who responded to various inquiries were unable to provide rational reasons for the contention, their opinions provided insight into the puzzle. John Paton Davies, Jr., John Stewart Service, Albert C. Wedemeyer, and John Carter Vincent were especially generous in the detailed answers they gave to specific questions directed to them.

While containing only a brief discussion of the struggle of Davies and Service with Hurley, Robert Thomas Smith, "Alone in China: Patrick J. Hurley's Attempt to Unify China, 1944-1945," Ph.D. dissertation, University of Oklahoma, Norman, Oklahoma, provides excellent documentation of how the Oklahoman became alienated from most of the members of the American community in China and began to envision them as plotting against him.

## II. Government Documents and Publications

When research was first begun, almost no Department of State records were available. United States Relations with China--with Special Reference to the Period, 1944-1949 (Washington, D.C., 1949) was so highly edited that it contained almost no information which was not included in other sources. The Department only recently published Vol. VI of Foreign Relations of the United States: 1944 (Washington, D.C., 1967) and Vol. VII of Foreign Relations of the United States: 1945 (Washington, D.C., 1969). Most of the documents included in these two volumes which were relevant to the dissertation had already been located elsewhere, primarily in the Hurley Papers, but approximately ten new items were of great value in providing additional insight as well as further evidence of the State Department's position concerning Hurley's interpretation of America's China policy and his treatment of Department personnel. These publications also raised some new questions which could not be completely resolved. In several instances, in footnote citations, it is stated that particular memoranda, such as the position paper of January 29, 1945, were sent to Ambassador Hurley, but the Hurley Papers do not contain such copies. Messages the Oklahoman sent to the Department further suggest that the Ambassador was not aware of these memoranda until a much later time than that indicated by the Department's records.

The printed volumes of the various government hearings

held during the post-war era provide almost the only record of the nation's increasing responsiveness to the Communist-influence explanation for the failures of American foreign policy. These publications also contain evidence of the charges which were leveled at Department of State personnel, especially Davies and Service. The State Department Employee Loyalty Investigation (Washington, D.C., 1950) was especially valuable because it includes Service's hearing before the State Department Loyalty Security Board in 1950. An Inquiry into the Military Situation in the Far East (Washington, D.C., 1951) was the only public hearing, after the original investigation of Hurley's charges, at which the former Ambassador testified. It was indispensable, therefore, for evidence of his growing belief in the conspiracy theory. The volumes of the investigation of the Institute of Pacific Relations (Washington, D.C., 1951-1952) graphically reveal to what extent Congress and the nation had succumbed to the Red Scare by 1951-1952.

The Amerasia Papers: A Clue to the Catastrophe of China (Washington, D.C., 1970) published by the Senate Committee on the Judiciary do not add to one's understanding of the case. The two volumes include an extremely biased and propagandistically motivated 113 page introduction and a "selection" of 315 documents that were supposedly discovered in the offices of the journal. Service, who discusses this publication in a recent book, declares that many of the



documents included were never evidence in the case.

The debates in the Congressional Record provide eloquent evidence of the partisanship which came to play an ever more important role as the contention over America's China policy developed. They also set the stage for the various Congressional hearings. The Congressional Record, 81st Cong., 2nd sess., XCVI, Part 6 was especially valuable because it contains the Amerasia hearings by the House Committee on the Judiciary on pages 7438-68.

Congress and the Nation, 1945-1964--A Review of Government and Politics in the Postwar Years (Washington, D.C., 1965) was the major source for data regarding the various government loyalty programs promulgated during the crucial decade following World War II. The Department of State Bulletin was useful for its official information on the suspensions, hearings, and ultimate dismissals of Davies and Service by the Department.

Two of the volumes by Charles F. Romanus and Riley Sunderland in the official series, The United States Army in World War II, Stilwell's Command Problems (Washington, D.C., 1956) and Time Runs Out in CBI (Washington, D.C., 1959), added to a general knowledge of the military situation in China during the war as well as the Stilwell-Chiang controversy.

### III. Memoirs and Biographies

The memoirs or published collections of papers by diplomats, generals, government officials, and others that

throw light on the topic are numerous. Among them are James F. Byrnes, Speaking Frankly (New York, 1947); James V. Forrestal, The Forrestal Diaries (New York, 1951); Joseph C. Grew, Turbulent Era (Vol. II, New York, 1952); Cordell Hull, Memoirs of Cordell (Vol. II, New York, 1949); William D. Leahy, I Was There: the Personal Story of the Chief of Staff of Presidents Roosevelt and Truman Based on His Notes and Diaries Made at the Time (New York, 1950); Joseph W. Stilwell, The Stilwell Papers (New York, 1948); Henry L. Stimson and McGeorge Bundy, On Active Service in Peace and War (New York, 1947); Harry S. Truman, Memoirs (Vol. II, New York, 1955); Albert C. Wedemeyer, Wedemeyer Reports! (New York, 1958); and Sumner Welles, Where are We Heading? (New York, 1946). These memoirs, like all others, must be used critically; so used, they are a valuable source of information.

Biographies of some of the key figures of this period have also been published. Norman A. Graebner, An Uncertain Tradition: American Secretaries of State in the Twentieth Century (New York, 1961) provides brief and discerning information on the Secretaries of State during the Hurley controversy. Robert Sherwood, Roosevelt and Hopkins: An Intimate History (New York, 1948) is a superb source of material on F.D.R., and Elliot Roosevelt, As He Saw It (New York, 1946) also contains some data which was of value. An entertaining and informative study on McCarthy is Richard H. Rovere, Senator Joe McCarthy (New York, 1959). Don Lohbeck's

biography, Patrick J. Hurley (Chicago, 1956), is useful as a source for general, background information. It also provides some perspective concerning the Oklahoman's viewpoint on his controversy with the Department of State personnel. It must be noted, however, that it is an extremely biased study and many of Lohbeck's comments cannot be documented. Barbara W. Tuchman, Stilwell and the American Experience in China, 1941-45 (New York, 1970) is an excellent study of Stilwell. It adds not only color but substance to the General's relationship with his political advisers, Davies and Service, and Hurley as well as his ideas on how American policy should have been handled in China.

#### IV. General Works

The China Tangle (Princeton, 1953) by Herbert Feis remains the standard work on American diplomacy in China during World War II. Tang Tsou, America's Failure in China, 1949-1950 (Chicago, 1963) is a more interpretative study, covering the war and post-war periods. Both are excellent sources, but their views on the Hurley-Foreign Service Officer controversy are brief, if not superficial, and somewhat biased. A study of the reports of Davies and Service as well as the history of China since 1945 does not justify the interpretation by these two authors that the officers were naive concerning Chinese Communism.

Ross Y. Koen, The China Lobby in American Politics

(New York, 1960) is the only monograph on the China Lobby, and it is extremely difficult to locate as it was never made available to the general public and very few college and university libraries have it in their collections. Because it contains material no where else available, it is indispensable for one studying the impact of China upon American politics in the post-war period.

H. Bradford Westerfield, Foreign Policy and Party Politics: Pearl Harbor to Korea (New Haven, 1955) is exceptionally good concerning the relationship of partisan politics to the growing debate over America's foreign policy during the decade following World War II. John W. Spanier, The Truman-MacArthur Controversy and the Korean War (Cambridge, 1959) is also of value in this area as is Eric F. Goldman, The Crucial Decade--and After, 1945-1960 (New York, 1960) with its pungent style and incisive wit.

Theodore H. White and Annalee Jacoby, Thunder Out of China (New York, 1946) contribute vivid realism to one's understanding of the Chinese situation during World War II. Sympathetic to the Foreign Service Officers and critical of Hurley, these authors also add perspective to the controversy with their brief coverage of it.

Davies and Service have each written a book in recent years, but neither was especially helpful. John Paton Davies, Jr., Foreign and Other Affairs (New York, 1964) contains no material relevant to the dissertation. Despite its title,

John S. Service, The Amerasia Papers: Some Problems in the History of US-China Relations (Berkeley, 1971) provides no new insight into the Amerasia puzzle. Only a small section of the short book deals with his involvement with the case, and it is dedicated to a scathing critique of Kubek's introduction in the publication by the Senate Committee on the Judiciary. The former officer also discusses the debate over America's China policy which took place during 1944-1945, especially Hurley's contention with the State Department, but he mentions only briefly his role in the controversy.

#### V. Magazines and Newspapers

The two articles in the Reporter on the China Lobby, Charles Wertenbaker, "The China Lobby," VI (April 15, 1952) and Philip Horton and Charles Wertenbaker, "The China Lobby," VI (April 29, 1952), provided valuable information about its organizational structure and its activities in the early post-war period. The other magazines utilized, Commonweal, Foreign Policy Bulletin, Harpers, Look, Nation, New Republic, Newsweek, New York Times Magazine, Time, U. S. News and World Report, as well as additional articles in the Reporter, were primarily useful as sources of press and public opinion on the Hurley-Foreign Service Officer controversy.

The New York Times was indispensable for filling in many of the informational gaps. During the years 1945-1954, Hurley's public comments and press conferences were almost

the only source of material for his views of his China mission, revealing the effect time and frustration had upon them.

This newspaper also provided additional data on the various hearings of this period as well as information about the dismissals of Davies and Service.