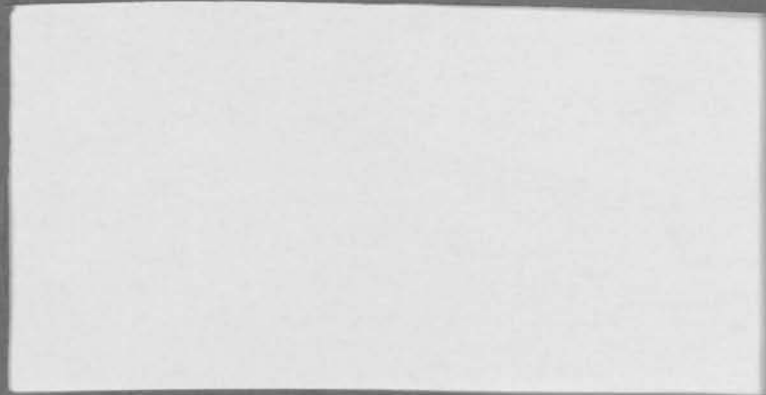


- V.B Justification of the War (11 Vols.)
  - Internal Documents (9 Vols.)
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**UNITED STATES - VIETNAM RELATIONS**  
**1945 - 1967**



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V.B.2.

JUSTIFICATION OF THE WAR  
- INTERNAL COMMITMENTS -

The Truman Administration, 1945-1952

BOOK I - 1945-1949

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V.B.2.

JUSTIFICATION OF THE WAR -- INTERNAL COMMITMENTS

The Truman Administration, 1945 - 1952

Foreword

This portion of the study consists of a collection of U. S. Government documents which set forth the rationale of U. S. policy toward Vietnam. The collection represents the internal commitment of the U.S. as expressed in classified documents circulated at the highest levels in the Government. The documents are organized chronologically within each Presidential administration. This volume covers the Truman years, 1945-1952.



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V.B.2.

JUSTIFICATION OF THE WAR -- INTERNAL COMMITMENTS

The Truman Administration, 1945 - 1952

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102. The Singapore Conference recommends that the U.S. join the UK in support of Bao Dai, that the French clarify Vietnam's legal status, that <u>de facto</u> recognition be granted on 1 January 1950, and hopes that the U.S. would fulfill its UN duties in event of an attack on Indochina. Bliss (London) A2063 to SecState, 9 November 1949.....	223
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104. The President approves the conclusions of NSC 48/1 as amended. The basic objectives cited are -- development of stable nations and sufficient military power to prevent communist expansion in Asia, reduction of USSR influence in Asia, and prevention of power relationships which could threaten the U.S. Specifically, in Indochina, the U.S. will use its influence to resolve the colonialist-nationalist conflict. NSC 48/2, 30 December 1949.....	265

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105. The JCS reviews the current Mutual Defense Assistance Program and certain objectives evolve as the basis for future military assistance programs. A specific long range objective is "development of sufficient military power in selected nations of the Far East" to prevent encroachment by communism. JCS Memorandum for the Secretary of Defense, 26 January 1950.....	273
106. The State Department recommends and President Truman approves recognition of the three legally constituted governments of Vietnam, Cambodia, and Laos. Memorandum for the President, 2 February 1950.....	276
107. The U.S. forwards the letters of recognition to the Associated States and requests a reply to the suggestion on exchange of diplomatic representatives. Acheson 59 to Saigon, 4 February 1950.....	278

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108. Asiatic neighbors consider Bao Dai a French puppet. The U.S. should realize that ECA and military aid from the U. S. do not constitute decisive factors in Indochina's problems. Therefore the Griffin Mission should not commit ECA or military aid to French Indochina unless France "gives requisite public undertakings re further steps leading to status similar to Indonesia." Stanton (Bangkok) 160 to Acheson, 17 February 1950.....	280
109. The State Department submits to the NSC a report on "The Position of the United States with Respect to Indochina," which analyzes the problem to determine measures to protect U.S. security in Indochina and prevent communist expansion in the area. NSC No. 64, 27 February 1950.....	282
110. President Truman approves the designation of Mr. Robert A. Griffin as Chief of the Economic Survey Mission to Southeast Asia, with rank of Minister. Five basic objectives of the Mission are outlined: (1) determine needed projects of political significance; (2) prepare for Point 4 programs; (3) advise local officials of methods and extent of participation in Point 4; (4) brief U.S. representatives; and (5) investigate regional aspects of technical assistance. Department of State letter to Griffin, 1 March 1950.....	286
111. The State Department maintains to the Department of Defense that Indochina is subject to immediate danger and is the "most strategically important area of Southeast Asia." Dean Rusk believes that the resources of the U. S. should be deployed to "reserve Indochina from further Communist encroachment." Dean Rusk, Deputy Undersecretary of State to General James H. Burns, Defense Representative to Southeast Asia Aid Committee, 7 March 1950.....	288
112. Acheson instructs Saigon, in light of anticipated Franco-Viet friction on handling U.S. aid, that function of Griffin Mission is "clearly understood to be fact finding." Acheson 136 to Saigon, 9 March 1950.....	289
113. Griffin replies that "I understand that ours is an economic aid mission" and that the budding controversy could jeopardize the economic aid program. The French show no enthusiasm for Point 4. Gullion (Saigon) 176 to Acheson, 13 March 1950.....	290
114. Griffin submits his mission's preliminary conclusions on Indochina with a listing of specific urgent programs totaling \$23.5 million exclusive of military aid and indirect	

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U.S. aid (e.g., through France). Obstacles should not permit indecision to allocate aid money or materials; the "crux of the situation lies in prompt decisive action if desired political effect is to be attained." Griffin file copy of telegram sent to Acheson, 16 March 1950.....	292
115. The U.S. assumes that France is determined to protect Indochina from communist encroachment, that success depends on indigenous support, and that France supports Bao Dai, but that the French position and ultimate intentions are not clear to the rest of the world. The U.S. requests France to make a public statement of the concessions to Indochinese nationalism. Acheson 1363 to Paris, 29 March 1950.....	301
116. Acheson advises Griffin Mission of the implications for U.S. policy in Vietnam: (1) The prospect of U.S. aid indirectly would cause crisis (induce hyper-confidence in Viets); (2) Viets bitter at Huu appointment (and the U.S.) may magnify the U.S. role; (3) it is better for the U.S. if a national union government is set up; and (4) the aid program can more easily be worked out with Huu Government. Acheson 244 to Griffin, 9 April 1950.....	305
117. Department of State requests an assessment of the strategic aspects of Indochina from a military point of view because of the threat of communist domination. The Joint Chiefs of Staff indicate that the "mainland states of Southeast Asia also are at present of critical strategic importance to the United States," because of the requirement to stockpile strategic materials acquired there, as well as the threat to other states on the "line of containment." JCS Memorandum for the Secretary of Defense, 10 April 1950.....	308
118. The Joint Chiefs of Staff concur with the State Department on the importance of Southeast Asia to the U.S. However, the JCS urge a more forceful and positive U.S. position than expressed by State -- "...in order to retrieve the losses resulting from previous mistakes on the part of the British and French, as well as to preclude such mistakes in the future, the Joint Chiefs of Staff consider it necessary that positive and proper leadership among the Western Powers be assumed by the United States in Southeast Asia matters." JCS Memorandum for SecDef, 2 May 1950.....	315
119. The JCS recommend telling the French that the U.S. is prepared to assist France and the three Associated States and that arrangements for U.S. military aid be made. JCS Memorandum for SecDef, 2 May 1950.....	318

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120. President Truman approves \$10 million for military items to Indochina. Acheson 2049 to London, 3 May 1950.....	321
121. Griffin reconstructs the Indochina situation for Secretary Acheson. Griffin indicates that the present status quo cannot be maintained. "Time is of the essence...." if Bao Dai starts to slip, "it will be impossible to restore him." Given that the French are aware that a military solution is unattainable, "the U.S. must find out what the French expect of Vietnam." Griffin Memorandum to Secretary of State, 4 May 1950.....	322
122. The special survey mission headed by R. Allen Griffin recommends a modest \$60 million economic and technical assistance program for Southeast Asia. State press release 485, 11 May 1950.....	327
123. The Ministers of the U.S., U.K., and France agree that while Southeast Asia is of strategic importance to the U.S., the direct responsibilities of U.K. and France make it of greater concern to them. Extract of Tripartite Ministerial Talks, 13 May 1950.....	328
124. The French affirm responsibility for Indochina, acknowledge "supplementary" U.S. assistance, and assure that 8 March agreements would be "liberally implemented." London - SECTO 256, 14 May 1950.....	330
125. U.S. formally announces intent to establish an economic aid mission to the three Associated States of Indochina. State press release 545, 25 May 1950.....	332
126. On the basis of the Griffin recommendations, the U.S. publicly announces the launching of a program of rapid economic aid to Southeast Asia. Secretary of State Dean Acheson letter to R. Allen Griffin, 3 June 1950.....	335
127. North Korea attacks South Korea and President Truman announces U.S. military assistance not only to South Korea but also an "acceleration in the furnishing of military assistance to the forces of France and the Associated States in Indochina and the dispatch of a military mission...." Presidential Statement, 27 June 1950.....	336
128. The U.S. clarifies the principles governing U.S. military aid to Indochina. Essentially, the basic principles are: U.S. aid supplements French assistance to Associated States	



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to achieve internal security; assist army of the French Union against communist aggression; Korean events could cause diversion of aid from Associated States. Acheson 4 to Saigon, 1 July 1950.....	338
129. A summary of existing policy on Indochina reveals the JCS view on NSC 73 that the U.S. give consideration to providing air and naval assistance should the Chinese provide overt support to the Viet Minh. Consultants' Meeting, 25 July 1950.....	341
130. The U.S. feels that French requests for overall assistance (military, economic, and political) are inadequate to "consummate U.S. broad objectives in Indochina" and assistance will have to be increased to resist encroachment of communism. Heath (Saigon) 170 to Acheson, 7 August 1950....	343
131. The U.S. views growing political and military deterioration in Indochina with concern; especially evident are failure of the government to gain support, disinclination of Bao Dai to assume leadership role, and indications of CHICOM-Viet Minh military collaboration. The U.S. seeks to have Vietnam establish a national army and declare a national emergency. Acheson 238 to Saigon, 1 September 1950.....	344
132. The U.S. informs France that the U.S. was prepared to increase assistance to French Union forces but could not furnish money for local use or direct tactical air support. Extract of Summary Minutes of Tripartite, Foreign Ministers Meeting, France, U.K., and U.S., 14 September 1950.....	347
133. The Southeast Asia Aid Policy Committee (SEAC) proposes a statement of U.S. policy on Indochina to the NSC for consideration. "The U.S. will not commit any of its armed forces to the defense of Indochina against overt, foreign aggression...." but should assist in the "formation of new national armies of the three Associated States." The U.S. should also "press the French" to carry out the agreements of 8 March 1949 and 30 December 1949. SEAC D-21, 11 October 1950.....	349
134. "The draft statement of U.S. policy in Indochina is weak from the political side....the Defense representatives argued for a strong, hardhitting policy on political and economic concessions. The State Department representatives flatly refused....to consider Indochina in that manner. Consequently, the paper ended with a compromise." K. T. Young, DoD Office of Foreign Military Affairs, letter to General Malony, SEAC, 13 October 1950.....	369

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135. The State Department announces the results of high level conversations with French Ministers and that the U. S. Congress has appropriated one-half billion dollars in military assistance for the Far East. Department of State press release 1066, 17 October 1950.....	371
136. State and Defense recapitulate talks with the French Ministers, analyze Saigon's views on Indochina, and review the proposed NSC policy statement on Indochina: The French had not programmed equipment for 18 battalions in the 1951 budget and further had requested that the U.S. pay for and maintain the National armies when formed. It appears that the French will withdraw from Tonkin and may throw the problem to the U.N. The draft policy statement is considered quite adequate. Memorandum for the Record (Mr. K.T. Young), 17 October 1950.....	373
137. The current situation in Indochina reveals serious weakness in French manpower, leadership, and intelligence. The Viet Minh forces are building up for large-scale offensives to seize complete control of Indochina. The French Union forces of 353,970 are opposed by 92,500 Viet Minh regulars and 130,000 irregulars. U.S. Naval Intelligence Memorandum, 17 October 1950.....	382
138. The U.S. informs Emperor Bao Dai, with emphasis, that it is imperative that he give the Vietnamese people evidence of his determination to personally lead his country into immediate and "energetic opposition" to the communist menace. The U.S. has interpreted his "prolonged holiday" on the Riviera as lack of patriotism. It is tactfully suggested that further displays of procrastination might lead to loss of U.S. support for his government. Acheson 384 to Saigon, 18 October 1950.....	388
139. A Defense view is that it is "most important that the French do not quit cold and leave a political vacuum behind them." The U.S. should give increased military aid but not intervene and stress political steps by the French. Memorandum for Secretary Finletter, 19 October 1950.....	391
140. U.S. desires the immediate political and military advantages sought in the National army plan be found through integration of armed native contingents (Cao Dai, Hoa Hao, Catholics, etc.) into an army commanded by Bao Dai. Acheson 436 to Saigon, 25 October 1950.....	393
141. U.S. approves French request to transfer 24 -105 mm howitzers and 6 -155 mm howitzers of MDAP assistance to Indochina. Acheson 2250 to Paris, 27 October 1950.....	394

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142. General Brink, Chief MAAG-Indochina, reports that the French contemplate changing troops from "pacification" dispositions to larger unit regroupment. French military plans are keyed to delays in political decisions. Saigon 763 to Acheson, 4 November 1950 (see Enclosure A to Document No. 146, below).....	405
143. The U.S. does not favor use of the Peace Observation Commission in Indochina and if the Indochina subject is to come into the United Nations, it is preferred that the French do it. Acheson 516 to UN, 22 November 1950.....	395
144. The U.S. publicly welcomes the French statement which assures independence of the Associated States of Indochina within the French Union and that their resources will be directed "to the defense of Indochina against communist colonialism." Department of State press release 1187, 27 November 1950....	397
145. "If the Communists are successful in Korea, this may so weaken the French in Indochina that they will pull out. He [Secretary Acheson] doubted if any one of the President's advisers would urge him to intervene in that situation." Extract from Truman-Attlee Conversations, 4 December 1950.....	398
146. The Joint Chiefs of Staff position paper on possible future action in Indochina, 28 November 1950, is circulated for NSC consideration. This paper includes the Brink report (4 November 1950) as a reference. The JCS short term objectives emphasize urgent action to deny Indochina to communism, insure retention of responsibility by France, and development of an over-all military plan for Indochina. The long term objectives seek to prevent communist expansion, to establish internal security conditions such as the foreign armed forces would be removed, to press the French to carry out commitments, and to establish a regional security arrangement in Southeast Asia. Executive Secretary to the NSC, NSC 64/1, 21 December 1950.....	399
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147. President Truman reasserts that U.S. aid to the French Union forces and National armies of the Associated States will continue. Truman-Pleven Conversations, 30 January 1951.....	417
148. The U.S. is very unlikely to engage itself to finance the budgetary deficit of France (25 billion francs) required for the National armies in Indochina. Acheson 974 to Saigon, 30 January 1951.....	419

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149. The first progress report on NSC 64, which was approved on 27 March 1950, assesses the most severe threat to French Indochina as the increased capability of the Viet Minh resulting from Red Chinese aid. Optimistically, the report concludes that "American military aid furnished the State's forces and the Army of the French Union may have been the decisive factor in the preservation of the area against communist aggression." State Department Memorandum to NSC; 15 March 1951.....	421
150. President Truman approves NSC Action 48/5 which states U.S. policy on Asia. With respect to Indochina, U.S. policy seeks to continue to increase French military effectiveness, to encourage internal autonomy, and to promote international support for the three Associated States. NSC 48/5, 17 May 1951.....	425
151. Dulles discusses problems with Parodi of participation of the three Associated States as "sovereign" with respect to U.N. membership, Viet Minh rival government, and positions of India, Burma, and Indonesia. Dulles-Parodi Conversation, 11 June 1951.....	446
152. The U.S. invites Vietnam, Cambodia, and Laos to participate in signing of Japanese Peace Treaty. Saigon 132 despatch to State, 6 September 1951.....	447
153. The U.S. and Vietnam enter into an economic cooperation agreement. Agreement entered into force 7 September 1951...	449
154. The U.S. agrees with France that they will continue to be primarily responsible for Indochina, that U.S. troops should not be used, and that first priority in military aid should go to Indochina. U.S.-France Foreign Ministers Meeting, 11 September 1951.....	452
155. President Truman and Secretary Acheson pledge support for General DeLattre and that "we would not let Indochina fall into enemy hands." Memorandum of Conversation, Acheson, Schuman, and DeLattre, 14 September 1951.....	454
156. General DeLattre comments to the State Department that the aid program had not been working out satisfactorily due to the "missionary zeal" of certain "young men" which made it appear that the U.S. was extending its influence. State Department Discussions with DeLattre, 17 September 1951.....	456

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157. The U.S. recounts the doubts and distrust remaining on the subject of colonialism in Indochina but maintains that the real issue is whether or not the Indochinese people will be allowed to exercise sovereignty or be subjected to communist terror. Dean Rusk Address, 6 November 1951.....	459
158. France requests that conversation take place immediately between U.S., U.K. and France concerning concerted action in the event of seemingly imminent Chinese intervention in Indochina. Bruce (Paris) 3765 to Acheson, 22 December 1951.	460
159. France delivers an <u>aide-memoire</u> to the U.S. on a proposal to appeal to the U.N. if Red China intervenes. Paris 3856 to Acheson, 29 December 1951.....	462

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160. Acheson reviews tripartite military discussions in which State did not participate. General Bradley, while unable to commit or indicate the extent of U.S. military assistance in the event of CHICOM invasion, would recommend to the President that a declaration be issued to Red China that retaliation would follow any aggression. Acheson 974 to Saigon, 15 January 1952.....	465
161. The NSC considers the consequences to the United States of communist domination of Southeast Asia. Loss of Southeast Asia is seen as putting economic and political pressures on Japan, opening sources of strategic materials to the Soviet Bloc, rendering the U.S. position in the Pacific precarious and jeopardizing lines of communication and trade routes to South Asia. If Red China intervenes, the U.S. should take appropriate military action as part of a U.N. action or in conjunction with others but not unilaterally. Annex to NSC 124, 13 February 1952.....	468
162. The CIA estimates that a joint warning against CHICOM intervention in Southeast Asia would tend to deter them, that initiation of action in the U.N. would probably bring a response similar to that regarding Korea, and CHICOM defiance of a joint warning would probably involve prior consent of the USSR. CIA Special Estimate, SE-22, 29 February 1952.	477
163. The JCS views on NSC 124 and Annex to NSC 124 are that military operations in defense of Indochina against Chinese Communist invasion must be accompanied by action against Communist China itself -- a course of action which might result in a long and expensive war, and that from a military point of view, the JCS oppose acceptance of all the military commitments of NSC 124. JCS Memorandum for the SecDef (forwarded to the National Security Council), 3 March 1952..	486

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164. The NSC recommends that the military implications of going to war in China be studied further and explained to the Council and the President; that the greater danger to Southeast Asia is subversion and not external aggression; and that contingencies for a French withdrawal be examined. NSC 113th Meeting (Item 3), 5 March 1952.....	502
165. The U.S. stresses to the British that rumors of French intentions to withdraw or negotiate with Ho Chi Minh are not true. The U.S. believes that France will stay in Indochina as long as sufficient U.S. aid is forthcoming. Acheson Conversation with British Ambassador, 28 March 1952.....	508
166. French stress their problems at tripartite meeting concerning their EDC commitments: (1) the French effort in Indochina, (2) financial difficulties and whether the strategic importance of SEA justified continued effort, and (3) Indochina is part of the European defense problem. France cannot continue to bear "alone such great share Indochinese burden." French attach great importance to U.S. aid. Acheson 7415 to State, 28 May 1952.....	511
167. If the Chinese invade Indochina, "he [Acheson] said it was clear that it was futile and a mistake to defend Indochina in Indochina. He said we could not have another Korea.... we could not put ground troops in Indochina....our only hope was of changing the Chinese mind." Secretary of State Note (L.D. Battle), 17 June 1952.....	515
168. U.S. informs France that appropriations would be prepared to provide up to 150 million dollars additional FY 1953 aid in support of overall French effort in Indochina. Acheson 7404 to Paris, 17 June 1952.....	517
169. Acheson publicly announces optimism over the conduct of the National armies in Indochina and that communist "aggression has been checked" and that the "tide is now moving in our favor." State Department Release 473, 18 June 1952.....	518
170. The President approves NSC 124/2 (NSC 124/1 as amended) on the U.S. objectives and courses of action with respect to Southeast Asia. With respect to Indochina, the U.S. would continue to assure the French of the international interest of the Indochina effort; use U.S. influence to promote political, military, economic, and social policies; provide increased aid in the absence of overt Chinese aggression; oppose French withdrawal; and seek collective action against Red China intervention. NSC 124/2, 25 June 1952.....	520

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171. The U.S. and Britain discuss issuing a warning to Red China on intervention in Indochina. French successes could trigger Chinese intervention and the U.S. had "no infantry available for operations within Indochina." The U.S. thinking is along the lines of a naval blockade of China's coast. London Ministerial Talks, 26 June 1952.....	535
172. The French request that 150 American Air Force mechanics be detailed to Vietnam receives an opinion for favorable action from General Trapnell, MAAG Chief, who also recommends expediting delivery of aircraft promised for 1953. Saigon 1149 to Acheson, 5 December 1952.....	538
173. The U.S. approves participation of 25-30 USAF personnel in maintenance of French aircraft in Vietnam. Acheson 1286 to Saigon, 22 December 1952.....	540





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THE STATE-WAR-NAVY COORDINATING COMMITTEE  
WASHINGTON, D. C.



May 23, 1945

WE - Mr. Bonbright:

Herewith extract of minutes of SWNCC meeting held April 13, 1945, dealing with the subject "Use of Indo-China Resistance Forces." Item b at the end is, I think, what you are after:

"3. USE OF INDO-CHINA RESISTANCE FORCES  
(Agenda Item No. 2 - SWNCC 35/7)

*FK  
7/11/51  
8519-620*

MR. LOVETT stated that he took no exception to dispatch of the note to the French Ambassador revised as suggested by Mr. Dunn, but pointed out that this note covers only a small segment of the entire problem. He added that the question of our Indo-China policy is a matter of lively military interest and that the lack of a policy is a source of serious embarrassment to the military. He pointed out that Admiral Fenard has been using a technique of submitting a series of questions to various agencies of the United States Government and by obtaining even negative or non-committal responses thereto has been in effect writing American policy on Indo-China. Although Admiral Fenard has stated that he is convinced of our good faith in this matter, the pattern is such that suspicions have arisen in Paris as to the real United States position.

MR. LOVETT urged that this question be reconsidered in the light of three considerations:

a. Indo-China is in the China Theater. The Generalissimo is in supreme command of the China Theater and General Wedemeyer commands only the U. S. forces therein. Accordingly, under present command arrangements, the question of civil administration in Indo-China during the period of military occupation might more appropriately be referred to the Chinese rather than to the U. S. Government.

b. The Combined Chiefs of Staff have agreed that the French should not participate in operational planning in the Far East until detailed planning for liberation of Indo-China is undertaken. To date, the French have not been informed that there are no major operations contemplated toward direct liberation of Indo-China.

c. The British are actively assisting the French from the Southeast Asia Command (Lord Mountbatten) in operations in Indo-China. If the French are informed that no operations are planned by the U. S. from the China Theater for

*REPLY*

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the liberation of Indo-China, it would give the British and French an argument to sustain the view that Indo-China should be in the British sphere rather than the U. S. sphere of strategic responsibility.

If it is apparent that no support for Indo-China operations is to be forthcoming from the China Theater, he felt that it is essential that we determine what our policy is to be and particularly that the French be informed that no major operations are contemplated in Indo-China. He also felt it essential that President Roosevelt's prohibition upon discussion of our Indo-China policy be reconsidered or reaffirmed promptly. MR. MATHEWS agreed that the time has come when our position must be clarified.

MR. DOOMAN pointed out that the Subcommittee for the Far East to which the development of our Indo-China policy has been assigned for study has been unable to report in view of a divergence of views within the State Department which has not yet been resolved. MR. MATHEWS stated that he had spoken to Mr. Dunn who felt that it is necessary to resolve these differences and clarify the policy.

ADMIRAL WILLSON questioned the desirability of telling the French definitely that no operations are planned for Indo-China.

After further discussion, THE COMMITTEE:

- a. Approved SWNCC 35/7, after amending the Enclosure as suggested by Mr. Dunn.
- b. Agreed that the Department of State should take up the question of a prompt clarification of our policy on Indo-China by reference of the matter to the President in the light of the three factors enumerated by Mr. Lovett."

*Co.*  
R.E.C.

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740.0011 P.W./4-1945: Telegram

*The Secretary of State to the Ambassador in France (Caffery)*

WASHINGTON, April 19, 1945—8 p. m.

1576. From Matthews.<sup>19</sup> The French Embassy has been informally

<sup>19</sup> Freeman Matthews, Director of the Office of European Affairs.

notified that for the period March 29 to April 13 an appreciable number of missions have been flown into Indo-China at direct request of the French in addition to other air forces operations into Indo-China. Embassy was informed that steps have been taken to drop rations, small arms and clothing to one particular group in Indo-China and that question of further assistance to other groups is subject of active negotiations. [Matthews.]

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740.0011 P.W./4-1945

*The Secretary of State to the French Ambassador (Bonnet)*

The Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and acknowledges the receipt of the Embassy's note No. 304 of March 12, 1945, conveying the desire of the French Provisional Government to conclude with the Government of the United States an agreement analogous to the Franco-Allied agreement signed in London on August 25, 1944 and applicable to Indo-China.

Careful consideration has been given to the above proposal. The United States Government has consistently believed, and acted accordingly, that the development of military operations in the Far East must be aimed at the earliest possible defeat of Japan. Such operations require the concentration and use of all resources in armed forces, munitions, and shipping and, consequently, the diversion in the immediate future of such resources to specific military operations in Indo-China cannot be contemplated. In the circumstances, the Government of the United States knows of no useful purpose which would be served by the conclusion at this time of an agreement along the lines contemplated in the Embassy's note under acknowledgment.

WASHINGTON, April 20, 1945.

CONFIDENTIAL

EDITORIAL NOTE:

With the death of President Roosevelt on 12 April 1945, the indecisive policy toward Indochina took on a new approach under the new President, Harry S. Truman. Shortly after being sworn in to office, U.S. policy was thoroughly reviewed. On 13 April, the State-War-Navy Coordinating Committee met and discussed the urgent need for clarification of U.S. policy toward French-Indochina, document number 3. By 20 April, a Memorandum to the President on Indochina policy had been drafted by the State Department Division of European Affairs (EUR), documents number 5 and 6. The Division of Far Eastern Affairs (FE) revised the EUR version to the extent that it was substantially different from the original submitted, document number 7. The final compromise between the two versions resulted in a draft action cable for Paris and a Memorandum on American Policy with Respect to Indochina for the President, both of which appear as documents number 9 and 10. The record shows that the policy statements in the memorandum was neither sent to nor approved by the President and that the cable was not dispatched to Paris. The documentation concerning this evolution of policy is included here as a revelation of the France-Indochina commitments internal to the Department of State and the impetus lent to policy making by the War Department in the latter phase of World War II.

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DEPARTMENT OF STATE  
DIVISION OF EUROPEAN AFFAIRS

April 20, 1945

A-D - Mr. Dunn:

There is attached the original in final form of the proposed memorandum to the President on our policy on Indo-China which you approved in draft form this morning and which you indicated you would take up at the Staff Committee meeting tomorrow (Saturday) morning.

As you know, the memorandum was prepared as a result of a directive from SWNCC. I am sending copies to General Hilldring and to Mr. Downey in order to obtain informal clearance from the War and Navy. It has also been routed to Mr. Ballantine.

*Handwritten:*  
KD  
OK  
15/17

H. Freeman Matthews

*Handwritten signature:* HFM  
APR 20 1945  
RECD

*Vertical stamp:*  
0516.00/4-2045

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APR 20 1945

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MEMORANDUM FOR THE PRESIDENT

Subject: Suggested Reexamination of American Policy  
with Respect to Indo-China

General Observations

1. The Japanese aggression against the French in Indo-China last month has brought about a marked increase in the number of proposals advanced by the French for the use of French forces and resources in the Pacific.

2. The consequences of these military developments make it clear that our past policy, which held that the disposition of Indo-China was a matter for post-war determination and that the United States should not become involved in military effort for its liberation, is in urgent need of reexamination and clarification. This is particularly so in order that American military and naval authorities may have guidance to enable them to take appropriate action with respect to the French proposals referred to above.

3. The United States Government has publicly taken the position that it recognizes the sovereign jurisdiction of France over French possessions overseas when those possessions are resisting the enemy and has expressed the hope that it will see the reestablishment of the integrity of French territory. In spite of this general assurance, the negative policy so far pursued by this Government with respect to Indo-China has aroused French suspicions concerning our intentions with respect to the future of that territory. This has had and continues to have a harmful effect on American relations with the French Government and people.

4. On April 3, 1945, the Secretary of State with the approval of the President issued a statement of which the following excerpt is pertinent to the present problem:

"As to territorial trusteeship, it appeared desirable that the Governments represented at Yalta, in consultation with the Chinese Government and the French Provisional Government, should endeavor to formulate proposals for submission to the San Francisco Conference for a trusteeship structure as a part of the general organization. This trusteeship structure, it was felt, should be defined to permit the placing under it of the territories taken from the enemy in this war, as might be agreed upon at a later date, and also such other territories as might voluntarily be placed under trusteeship."

C O P Y

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5. General de Gaulle and his Government have made it abundantly clear that they expect a proposed Indo-Chinese federation to function within the framework of the "French Union." There is consequently not the slightest possibility at the present time or in the foreseeable future that France will volunteer to place Indo-China under an international trusteeship, or will consent to any program of international accountability which is not applied to the colonial possessions of other powers. If an effort were made to exert pressure on the French Government, such action would have to be taken by the United States alone for France could rely upon the support of other colonial powers, notably, Great Britain and the Netherlands. Such action would likewise run counter to the established American policy of aiding France to regain her strength in order that she may be better fitted to share responsibility in maintaining the peace of Europe and the world.

Recommendations

In the light of the above considerations, the following recommendations, which have been communicated to the War and Navy Departments, are submitted for your approval.

1. The Government of the United States should neither oppose the restoration of Indo-China to France, with or without a program of international accountability, nor take any action toward French overseas possessions which it is not prepared to take or suggest with regard to the colonial possessions of our other Allies.
2. The Government of the United States should continue to exert its influence with the French in the direction of having them effect a liberalization of their past policy of limited opportunities for native participation in government and administration, as well as a liberalization of restrictive French economic policies formerly pursued in Indo-China.
3. The French Provisional Government should be informed confidentially that, owing to the need of concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indo-China cannot be contemplated at this time.
4. French offers of military and naval assistance in the Pacific should be considered on their merits as bearing upon the objective of defeating Japan, as in the case of British and Dutch proposals. The fact that acceptance of a specific proposal might serve to strengthen French claims for the restoration of Indo-China to France should not be regarded as grounds for rejection. On the contrary, acceptance of French proposals for military assistance in the defeat of Japan should be regarded as desirable in principle, subject always to military requirements in the theater of operations.

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5. While avoiding specific commitments with regard to the amount or character of any assistance which the United States may give to the French resistance forces in Indo-China, this Government should continue to afford all possible assistance provided it does not interfere with the requirements of other planned operations.

6. In addition to the aid which we are able to bring from the China theater of operations to the French forces resisting the Japanese in Indo-China, the United States should oppose no obstacle to the implementation of proposals looking toward the despatch of assistance to those forces from the southeast Asia theater of operations, provided such assistance does not constitute a diversion of resources which the Combined Chiefs of Staff consider are needed elsewhere.

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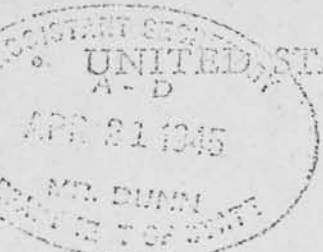
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STANDARD FORM NO. 64

Office Memorandum



UNITED STATES GOVERNMENT

TO : A-D - Mr. Dunn  
FROM : FE - Mr. Stanton  
SUBJECT: Memorandum for the President Regarding Indochina.

DATE: April 21, 1945

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001187

With reference to the memorandum for the President on "Suggested Reexamination of American Policy with Respect to Indochina", FE makes the following comments and suggested changes:

Paragraph 1. FE concurs.

Paragraph 2. FE believes that this paragraph should be simplified to express only the need for a determination of policy.

Paragraph 3. FE concurs with the first sentence but believes that, in amplification, reference should be made to the fact that Indochina has until recently collaborated with the enemy. It believes that the balance of the paragraph should be omitted in view of the proposed revision of paragraph 2.

Paragraphs 4 and 5. FE fully concurs, but suggests that a brief summary--which to complete the record should include President Roosevelt's views--would suffice. It also believes that the last sentence of paragraph 5 is important enough to warrant separate statement with a caveat regarding American interests in Southeast Asia.

In addition to the general observations included in the memorandum, FE believes that to present a complete picture the memorandum should include:

A. A statement of the joint State-War-Navy decisions already made regarding Indochina.

B. Reference to the collaborationist history of the French administration in Indochina in distinction to the record of the colonies of our other Allies.

C. Statements as to the increasingly profound interest of the United States in the future of Southeast Asia.

D. A statement

Vertical stamp: THIS DOCUMENT MUST BE RETURNED TO THE OFFICE OF THE ASSISTANT SECRETARY OF STATE, DEPARTMENT OF STATE, APR 21 1945

Vertical stamp: Mr. Stanton, APR 21 1945

D. A statement as to the independence sentiment in Indochina.

E. Reference to the French statements on Indochina indicating some concessions to the idea of autonomy for the French administration of Indochina, but which do not indicate an intention to permit genuine Indochinese self-government; and to the apparent reasons for these concessions.

F. Reference to the effect on China of past French economic policies in Indochina, and Chinese fears for the safety of its southwestern flank.

G. Reference to the danger inherent in the Thailand-Indochina boundary questions.

Recommendations 1 and 2. Recommendation 1, as drafted, refers to more than Indochina and would inject, for instance, problems involved in the Condominium Government of the New Hebrides. FE concurs in the basic policy that the United States should not seek a trusteeship for Indochina or international accountability unless similar action is to be sought from the British and the Dutch. It believes, however, that for the protection of American interests it is essential that French policies in Indochina follow a pattern more liberal than any heretofore announced. FE believes also that under present circumstances a policy of merely exerting influence to achieve such a result will not prove adequate.

Several times during the past few years the French authorities have made announcements regarding the future of Indochina which, though still inadequate to assure peace and stability in the area, indicates an intention to change their pre-war policies towards Indochina. It is the belief of FE that this change in attitude has been due, first, to a realization of the anti-French, independence sentiment among the Indochinese who must be wooed if French administration is to be successful and, second, to uncertainty as to the attitude of the United States and a feeling that United States support for restoration can be secured only by adoption of a more liberal policy. Any indication at this time that the United States will

not oppose French restoration in Indochina would negative American influence in securing French policies consonant with American interests. Accordingly, FE suggests that no statement of American policy with respect to post-war Indochina should be communicated to the Provisional French Government at this time.

Because the liberation of Indochina is, in fact, dependent on American defeat of Japan; because we are sacrificing blood and treasure to assure peace and stability in the Far East, post-war maintenance of which will be largely our responsibility; because without recognition of the dynamic trends towards self-government among the peoples of Asia there can be no peace and stability in the Far East and the peoples of Southeast Asia may embrace ideologies contrary to our own or develop a pan-Asiatic movement against all western powers, FE believes that it would not be unreasonable for the United States to insist that the French give adequate assurances as to the implementing of policies in Indochina which we consider essential to assure peace and stability in the Far East.

We urge, therefore, that the policy of the United States should be that not to oppose the restoration of Indochina to France, provided the French give adequate assurances as to the following:

- a. Development of a national or federal government to be run for and increasingly by the Indochinese themselves with no special privileges for French or other persons who are not inhabitants and citizens of Indochina so that within the foreseeable future Indochina may be fully self-governing and autonomous along democratic lines, except in matters of imperial concern in which Indochina should be a partner in the French Union.
- b. Maintenance of a policy of non-discriminatory treatment and of complete economic and commercial equality.
- c. Establishment of Haiphong as a free port with tax-free transit facilities between Haiphong and China.
- d. Acceptance of a frontier between Indochina and Thailand, to be determined by an impartial, international commission.

e. Acceptance of such international security arrangements, including American or international bases, as may be determined to be necessary for international security, including protection of China's southwestern flank.

Recommendation 3. FE believes that the last part of the paragraph should be modified in accordance with military plans already adopted so that the French will not vainly hope for either American military operations or American supplies for the liberation of Indochina.

Recommendation 4. FE suggests that the first sentence be clarified to specify that French offers of assistance will be considered "solely on their military merits". It believes that with this change the balance of the paragraph is unnecessary and should be omitted.

Recommendation 5. FE believes that this paragraph should be omitted. If assistance can be given the French which will aid in the defeat of Japan without interfering with American strategic considerations, the military authorities can raise any political questions involved at that time. Meanwhile, FE believes that it would be desirable politically for the United States not to lend military aid to or be associated with the reestablishment of French control over Indochina.

Recommendation 6. There are now less than a thousand French resistance forces in Indochina (the rest having crossed the border to China) and this paragraph would appear unnecessary in a statement of policy recommendations.

Attached is a suggested draft of the memorandum to the President embodying the above modifications and changes, which FE earnestly believes are of great importance for the establishment and maintenance of peace and stability in the Far East.

B.T.S.

SP:ALMoffat:FLB

MEMORANDUM FOR THE PRESIDENT

Subject: American Policy with Respect to Indochina

General Observations

1. The Japanese aggression against the French in Indochina last month has brought about a marked increase in the number of proposals advanced by the French for the use of French forces and resources in the Pacific.
2. These proposals and recent military developments make it essential that the United States reach a definitive determination regarding its policy towards Indochina rather than, as heretofore, consider the disposition of Indochina a matter for postwar determination.
3. The joint State-War-Navy authorities have reached the decision that all American military efforts must be directed entirely to the major issue of defeating Japan in its homeland and that, for military reasons, American troops should not be used or equipment needed in American operations be utilized for the liberation of Indochina.
4. It is established American policy to aid France to regain her strength in order that she may be better fitted to share responsibility in maintaining the peace of Europe--where her chief interests lie--and of the world. However, in pursuing this policy, the United States must not jeopardize its own increasingly important interests in Southeast Asia.
5. The United States Government has publicly taken the position that it recognizes the sovereign jurisdiction of France over French possessions overseas when those possessions are resisting the enemy, and has expressed the hope that it will see the reestablishment of the integrity of French territory.
6. Until the last few weeks the French administration of Indochina has collaborated with the Japanese in marked distinction to the administrations of colonial areas belonging to our other Allies.
7. President Roosevelt recognized the future increasing importance to the United States of Southeast Asia. He saw the necessity of aiding the 150,000,000 people there to achieve improved social, economic and political standards.

He realized that dynamic forces leading towards self-government are growing in Asia; that the United States-- as a great democracy--cannot and must not try to retard this development but rather act in harmony with it; and that social, economic or political instability in the area may threaten the peace and stability of the Far East and indeed the world.

8. As his solution of this problem, as it relates to Indochina, President Roosevelt long favored placing Indochina under a trusteeship. However, on April 3, 1945, the Secretary of State with the approval of the President issued a statement relative to the plans approved at Yalta which would indicate that Indochina could come under the trusteeship structure only by voluntary action of the French. It is abundantly clear that there is no possibility at the present time or in the foreseeable future that France will volunteer to place Indochina under trusteeship, or consent to any program of international accountability which is not applied to the colonial possessions of other powers. If an effort were made to exert pressure on the French Government, such action would have to be taken by the United States alone for France could rely upon the support of other colonial powers, notably Great Britain and the Netherlands. (5)

9. The prewar French administration in Indochina was the least satisfactory colonial administration in Asia, both as regards the development and interests of the native peoples and as regards economic relations with other countries. Among the Annamites there is increasing opposition to French rule. The Chinese are giving active support to the independence movement. France will probably encounter serious difficulty in reimposing French control in Indochina.

10. If really liberal policies towards Indochina are not adopted by the French--policies which recognize the paramount interest of the native peoples and guarantee within the foreseeable future a genuine opportunity for true, autonomous self-government--there will be substantial bloodshed and unrest for many years, threatening the economic and social progress and the peace and stability of Southeast Asia.

11. On several occasions in the past few years, French authorities have issued policy statements on the future of Indochina. These show a growing trend toward greater autonomy for the French administration of Indochina,

but even the recent statement of March 24 is vague and, when examined with care, indicates little intention of permitting genuine self-rule for the Indochinese. The change in French attitude towards Indochina is believed to have been occasioned by clearer realization of the anti-French sentiment among the Annamites and a belief that American approval of French restoration can be won only by a liberalization of its policies towards Indochina.

12. China is exercised at the economic stranglehold which France formerly exercised through control of the Yunnan Railroad and the port of Haiphong, and is particularly perturbed at the danger to its southwest flank first made visible by the surrender of Indochina to the Japanese.

13. It is stated American policy that the cession of territory by Indochina to Thailand in 1941 is not recognized and that this territory must be returned to Indochina. This territory, however, had in earlier years been wrested by the French from Thailand and its inhabitants are culturally akin to the Thai. Similarly, parts of Laos are Thai in character. Whatever the legalistic background may be, the entire border region between Indochina and Thailand will be a source of potential conflict unless a fair and appropriate frontier is determined by an impartial international commission. The Thai Government will accept any frontier so determined.

14. It will be American victory over Japan which will make possible the liberation of Indochina. We are fighting to assure peace and stability in the Far East, and will, in fact, bear the major responsibility for its maintenance after the war. Encouragement of and assistance to the peoples of Southeast Asia in developing autonomous, democratic self-rule in close, willing association with major Western powers would not only be in harmony with political trends in that area, but would appear to be the one practical solution which will assure peace and stability in the Far East. If this policy is not followed, the millions who live in that area may well embrace ideologies contrary to our own--or ultimately develop a pan-Asiatic movement against the Western world. It is not unreasonable, therefore, for the United States to insist that the French give adequate assurances as to the implementing of policies in Indochina which we consider essential to assure peace and stability in the Far East.

### Recommendations

In the light of the above considerations, the following recommendations, which have been communicated to the War and Navy Departments for their comment, are submitted for your approval:

1. The Government of the United States should not seek a trusteeship, international or French, over Indochina, unless it seeks similar trusteeship by the British and Dutch over Burma and the Netherlands Indies, nor should the United States seek international accountability which is not sought for the adjacent colonial areas. It should not oppose restoration of Indochina to France, provided the French give adequate assurances that they will meet the following conditions:

a. Development of a democratic national or federal government to be run for and increasingly by the Indochinese themselves with no special privileges for French or other persons who are not inhabitants and citizens of Indochina so that within the foreseeable future Indochina may be fully self-governing and autonomous, except in matters of imperial concern in which Indochina should be a partner in the French Union.

b. Maintenance of a policy of non-discriminatory treatment and of complete economic and commercial equality.

c. Establishment of Haiphong as a free port with tax-free transit facilities between Haiphong and China.

d. Acceptance of a frontier between Indochina and Thailand, to be determined by an impartial international commission.

e. Acceptance of such international security arrangements, including American or international bases, as may be determined to be necessary for international security, including protection of China's southwestern flank.

2. For the present, the policy of the United States with respect to the postwar status of Indochina should not be communicated to the Provisional French Government.



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3. The French Provisional Government should be informed, confidentially, that, owing to the need of concentrating all our resources in the Pacific on operations already planned, American military operations aimed directly at the liberation of Indochina cannot be contemplated until after the defeat of Japan, nor will it be possible to make any commitments for the furnishing of military equipment or supplies to resistance groups in Indochina or to French military forces in the Asiatic theatres of war.

4. French offers of military and naval assistance in the Pacific should be accepted or rejected by the military authorities solely on their military merits as bearing upon the defeat of Japan, as in the case of British and Dutch proposals.

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DEPARTMENT OF STATE

THE UNDER SECRETARY

23.  
April 24, 1945

MEMORANDUM ON INDOCHINA

Mr. Dunn left the following message to be delivered to Mr. Grow on the subject of Indochina:

Mr. Dunn stated that he thought it was highly desirable to clarify our position on Indochina and to that end a paper had been drawn up by EUR and revised by FE. Mr. Dunn is definitely opposed to accepting FE's revision. He believes that it would be better just to let the matter drift rather than base our policy on the revision of the Indochina paper. However, he would greatly prefer to have us clear up the Indochina matter as soon as possible.

Mr. Dunn stated that he believes that just now especially we should draw close to Great Britain and France - the strongest western European countries (and we hope that France will be stronger and should try to help her). We should attempt to remove the sources of friction between France and the United States and should try to allay her apprehensions that we are going to propose that territory be taken away from her. We have no right to dictate to France nor to take away her territory. We can only use our influence with France and we should do so, for example, to bring France to improve the Government of Indochina and conditions there but we should not interfere.

Mr. Dunn emphasized his belief that now is the time for us to cooperate wholeheartedly with France. In this connection he referred to his recent conversation with Bidault in which the latter stressed his fears for western civilization as a result of the dominance of Russia in Europe.

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MEMORANDUM FOR THE PRESIDENT

Subject: American Policy with Respect to Indochina

General Observations

1. The Japanese aggression against the French in Indochina has brought about a marked increase in the number of proposals advanced by the French for the use of French forces and resources in the Pacific.

2. These proposals and recent military developments make it essential that the United States reach a definitive determination regarding its policy toward Indochina.

3. It is established American policy to aid France to regain her strength in order that she may be better fitted to share responsibility in maintaining the peace of Europe and of the world. It seems particularly important that at this time the United States should draw close to France and Great Britain, the strongest Western Powers, and attempt to remove the sources of friction between the United States and France, which include French apprehensions that we are going to propose that French territory be taken away. However, in pursuing this policy, the United States must not jeopardize its increasingly important interests in Southeast Asia and must take into account the dynamic forces leading towards self government in that area since social, economic or political instability may threaten the peace of the Far East and the world.

4. The United States Government has publicly taken the position that it recognizes the sovereign jurisdiction of France over French possessions overseas when those possessions are resisting the enemy, and has expressed the hope that it will see the re-establishment of the integrity of French territory. The surrender of Indochina to Japan, however, not only opened the way to Japanese conquest of southeastern Asia and the Indies but exposed China's southwestern flank in the midst of its war with Japan. Until recently there was active collaboration on the part of Indochina with the Japanese, but Japanese aggression in Indochina has now given rise to resistance on the part of local French and native elements.

5. Although President Roosevelt had in the past expressed his preference that Indochina should be placed under trusteeship, he nevertheless approved a statement issued by the Secretary of State on April 3, 1945 relative to the plans approved at Yalta which carried the clear implication that Indochina would only come under a proposed trusteeship structure through voluntary action by the French. The United States position that trusteeship should apply only to mandated and enemy territory and territories voluntarily placed under the system

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by states responsible for their administration has been re-affirmed during the current discussions at San Francisco. It is abundantly clear that there is no possibility at the present time or in the foreseeable future that France will volunteer to place Indochina under trusteeship, or consent to any program of international accountability which is not applied to the colonial possessions of other powers.

6. French policies in Indochina before the war were unsatisfactory both as regards the Indochinese and as regards economic and commercial relations with other countries. There is increasing independence sentiment among the Indochinese and this movement appears to have at least the tacit support of China. There are indications, however, that the present French Government is embarking upon a new policy which is taking these factors into account. On several occasions in recent years, French authorities have issued policy statements on the future of Indochina. These follow a general trend toward greater autonomy for the French administration of Indochina but the most recent statement, that of March 24, 1945, is still vague and indicates little progress toward the establishment of genuine self rule for the Indochinese or of an open door economic policy in Indochina.

7. The economic policies pursued before the war by the French administration in respect to foreign trade with China through Haiphong and over the Yunnan railway affected adversely the economic developments of southwest China and foreign commerce with that region. Unless the situation is changed, this will be an increasingly important source of postwar friction.

8. The frontier between Indochina and Thailand is also a potential source of future trouble in southeastern Asia because it does not conform to ethnic and cultural groupings and involves conflicting historic claims.

#### Recommendations

In the light of the above considerations, the following recommendations are submitted for your approval.

1. The Government of the United States should make known to the French Provisional Government its concern for the future peace and stability of the Far East and its views as to how French action with respect to Indochina can contribute toward the maintenance of peace and stability. To that end the draft of a proposed telegraphic instruction to the American Ambassador at Paris is enclosed herewith. In this instruction the Ambassador is directed to seek the views of the French Government on five specific proposals which appear to be of chief importance for the future peace and stability of this area.

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2. Pending the outcome of the proposed discussions in Paris the following procedure, which is in line with the known views of the Joint Chiefs of Staff will be followed:

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to the French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. The French Provisional Government should be informed confidentially that owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot be contemplated at this time. American troops should not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved regardless of the theatre of operations from which the assistance may be sent provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

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AMEMBASSY,

PARIS.

1. As you are aware, Japanese aggression against the French in Indochina has brought about a marked increase in the number of proposals advanced by the French for the use of French forces and resources in the Pacific.

2. In this connection and in order that we may be in a position more clearly to determine our policy with respect to Indochina it would be most helpful if you could obtain from the French Government a fuller explanation of its aims in respect of Indochina than was given in the statement of March 24. Although that statement showed a trend toward greater autonomy for the French administration of Indochina it nevertheless indicates little progress toward genuine self-rule for the Indochinese or the establishment of an open-door economic policy in Indochina.

3. Because the liberation of Indochina is in fact dependent upon the American defeat of Japan; because we are sacrificing lives and resources to assure peace and stability in the Far East, in the responsibility for post-war maintenance of which we will be obliged to accept a major share;

because without recognition of the dynamic trends toward self-government among the peoples of Asia there can be no peace and stability in the Far East and peoples of South-east Asia may embrace ideologies contrary to our own or develop a Pan-Asiatic movement against all Western Powers, we feel it is not unreasonable for the United States to ask that the French Government give some positive indication of its intentions in respect of the following questions, a satisfactory solution of which we feel is essential to insure peace and stability in the Far East.

a. Development of a Government to be run for and increasingly by the Indochinese themselves so that within a reasonable period Indochina may be fully self-governing and autonomous except in matters of imperial concern in which Indochina may wish to become a partner in French union. (For your guidance we believe that no policy will be successful which does not provide civil liberties for the Indochinese and concrete assurances to them that they will achieve this self-government in the early future).

b. Maintenance of equal economic and commercial opportunity for all nations and their nationals.

c. Establishment of Haiphong as a free port with unrestricted, tax-free transit between Haiphong and China.

d. Acceptance of a frontier between Indochina and Thailand to be determined by an impartial international commission after the war in an attempt to establish a border which will eliminate potential sources of unrest

and conflict in the future. (In this connection, you may inform the French that the United States hopes to see Thailand resume its status as a free, independent and sovereign nation but does not recognize Thailand's acquisition of territory from Indochina in 1941. This position, however, is without prejudice to future peaceful adjustments.)

e. Acceptance of such international security arrangements as may be determined to be necessary for international security in the Far East, including protection of China's southwestern flank.

4. In discussing the foregoing with the French Government you should make it clear that this Government is motivated by its great concern for the maintenance of peace and stability in <sup>the Far East</sup> ~~this vital area~~ and by its desire to work with the French Government towards these ends. We are confident that both Governments are desirous of achieving the same ends. It is hoped that by a demonstration of American interest in the fulfillment of the objectives set forth in paragraph three and by a recognition of the responsibility of the Powers primarily interested in this <sup>area</sup> ~~area~~, the foundations of a mutual understanding of the several problems of the United Nations in that region may be laid and a post-war settlement achieved which will be acceptable to all and contribute to world peace.

5. For your information and such use as you may care to make of them during your discussions, the following recommendations



in regard to the military situation have been approved:

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. Owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot, however, be contemplated at this time. American troops would not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved regardless of the theatre of operations from which the assistance may be sent provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

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DIA: [unclear]  
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THE STATE-WAR-NAVY COORDINATING COMMITTEE  
WASHINGTON, D. C.

May 2, 1945

WE  
Mr. Bonbright,

Reference: SWNCC 35/10, Suggested Reexamination  
of American Policy with Respect to  
Indo-China.

The Assistant Secretary of War proposes to  
amend paragraph 5, Part II, page 44, of SWNCC 35/10  
as follows:

"5. While avoiding specific, so far as  
practicable, unnecessary or long term  
commitments with regard to the amount or  
character of any assistance which the United  
States may give to the French resistance  
forces in Indo-China, this government should  
continue to afford all possible assistance,  
provided it does not interfere with the re-  
quirements of other planned operations."

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*The Acting Secretary of State to the Ambassador in France (Caffery)*

WASHINGTON, May 9, 1945—noon.

1949. Following telegram dated May 8 received from the Secretary at San Francisco,<sup>20</sup> is repeated for your information.

<sup>20</sup>The United Nations Conference on International Organization met at San Francisco from April 25 to June 26, 1945.

"The subject of Indo-China came up in a recent conversation I had with Bidault<sup>21</sup> and Bonnet. The latter remarked that although the

<sup>21</sup> Georges Bidault, French Minister for Foreign Affairs.

French Government interprets Mr. Welles' statement of 1942<sup>22</sup> concerning the restoration of French sovereignty over the French Em-

<sup>22</sup> For text of note dated April 13, 1942, from Acting Secretary of State Sumner Welles to Ambassador Gaston Henry-Haye, see *Foreign Relations, 1942*, vol. II, p. 561, or Department of State *Bulletin*, April 18, 1942, p. 335.

pire as including Indo-China, the press continues to imply that a special status will be reserved for this colonial area. It was made quite clear to Bidault that the record is entirely innocent of any official statement of this government questioning, even by implication, French sovereignty over Indo-China. Certain elements of American public opinion, however, condemned French governmental policies and practices in Indo-China. Bidault seemed relieved and has no doubt cabled Paris that he received renewed assurances of our recognition of French sovereignty over that area."

GREW

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*Memorandum by the Acting Secretary of State to President Truman*

WASHINGTON, May 16, 1945

With respect to General de Gaulle's message of May 15<sup>23</sup> concerning

<sup>23</sup> Annex to this memorandum.

his extreme desire to have French forces participate in the fight of American forces in the decisive campaign against Japan, a copy of which is enclosed, the following considerations are offered for possible use in your conversation with the French Foreign Minister and General Juin<sup>24</sup> now scheduled for tomorrow, May 17, for Mr. Bidault,

<sup>24</sup> Gen. Alphonse Pierre Juin, French Chief of General Staff, and May 18 for General Juin.

The question of the participation of both French military and naval forces in the Far East was raised by the Chief of the French Naval Mission in the United States<sup>25</sup> on March 20. When the Joint Chiefs

<sup>25</sup> Adm. Raymond Fenard.

of Staff referred the matter to the Department for an expression of views the Secretary of State replied on April 5 that acceptance of the proposals in principle was considered to be desirable from the point of view of relations with the French Provisional Government, subject of course to military requirements in the theatre of operations. It is understood that from the military point of view the use of French forces in that theatre has relatively little if any value. Until further

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the Department of State should take up the question of prompt clarification of our policy on Indochina. In as much as the final determination of policy with respect to Indochina will probably involve and depend upon discussions with the French Government, and in as much as the Secretary of State has expressed the wish that these discussions should not be initiated at least while the present conference in San Francisco is in session, consideration of the matter has been restricted to the immediate implications of General de Gaulle's message to the effect that France wished to participate actively at the side of American forces in the campaign against Japan. This message was discussed with the French Foreign Minister by the President and by the Acting Secretary of State and referred to in the President's public statement<sup>28</sup> regarding his talks with M. Bidault. In the latter "the

<sup>28</sup> Released to the press May 18. Department of State *Bulletin*, May 20, 1945, p. 927.

President emphasized that we are faced with a still strong and deadly enemy in the Far East to whose defeat the total resources of this country, both in manpower and material, are pledged. He indicated that such assistance as France and our other Allies may bring to that struggle and which may be synchronized with operations already planned or underway, will be welcomed."

In the conversation which took place in the White House on May 19, 1945, the President referred to General de Gaulle's message and expressed his appreciation of France's offer of assistance. The President then said "that he had received a message from General de Gaulle to the effect that France would be glad to participate in the war against Japan alongside the United States and the President expressed his appreciation of France's offer of assistance. The President said that it is his policy to leave to the Commander-in-Chief in the field matters relating to the conduct of the war and that in this case also he would wish to leave to the Commander-in-Chief, U.S. Army Forces, Pacific,<sup>29</sup> the determination of whether it would

<sup>29</sup> General of the Army Douglas MacArthur.

practicable and helpful to have French forces join with us in the operations against Japan. He indicated that such assistance as France and our other Allies might bring to the struggle in the Pacific, which would synchronize with operations already planned or under way, would be welcomed. The President thought that the question would depend in large measure on the problem of transport, and, as the Minister no doubt was aware, this was an important problem involving three times the amount of tonnage that had been used in the war in the Atlantic. This subject was not further pursued."

On the following day the same subject was again referred to in the following terms in a conversation between the Acting Secretary of State and the French Foreign Minister: "I mentioned that among the points which had been touched upon at the White House was that of French military assistance in the Far East in the war against Japan. I reminded Mr. Bidault that while the President had expressed his general approval to French military association with us in this theater, he had emphasized that the problem was a military one and would necessarily have to be judged on its merits by the military authorities. I said that in the circumstances it was up to

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General MacArthur to decide just how much and where the French military contribution could be best utilized. The Minister mentioned that there were two French divisions ready for immediate transportation to the Far East. In reply to my inquiry as to whether there are Senegalese troops among them, he admitted that this was probably so, although there were also substantial numbers of white French. He made it clear that the French divisions could be utilized anywhere in the Far East, and there was no intention of limiting their contribution to attacking the enemy in Indochina. I reiterated that this matter would be placed before our military authorities immediately.

In as much as the Acting Secretary of State agreed that the matter would be placed before military authorities immediately, it is recommended that the foregoing be brought to the attention of the Joint Chiefs of Staff at the earliest possible moment. In this connection, the following suggestions which are believed to be in harmony with the expressed views of the Joint Chiefs of Staff are put forward:

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. Owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot, however, be contemplated at this time. American troops should not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved, regardless of the theatre of operations from which the assistance may be sent, provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

~~CONFIDENTIAL~~

H. FREEMAN MATTHEWS

S E C R E T

TELEGRAM SENT

DEPARTMENT OF STATE

Washington, June 7, 1945  
7 p.m.

AMERICAN EMBASSY,

CHUNGKING, 873

FOR THE AMBASSADOR FROM THE ACTING SECRETARY.

The President thanks you for your considered telegram in regard to the problems presented by the reestablishment of French control in Indochina and the British desire to reoccupy Hongkong and fully appreciates the difficulties in which you and General Wedemeyer may be placed on account of the lack of specific directives in respect to both of these problems which have been under careful study both here and in connection with the discussions at San Francisco.

I have also received your message No. 1543 of June 6 and regret that there has been delay in replying to your earlier one owing to the study which has been required of these matters in connection with present developments at the Conference. The President has asked me to say that there has been no basic change in the policy in respect to these two questions and that the present position is as follows:

The president assumes that you are familiar with the statement made by the Secretary of State on April 3, 1945 with the approval of President Roosevelt in which Mr. Stettinius declared that as a result of the Yalta discussions the "trusteeship structure, it was felt, should be defined to permit the placing under it of such of the territories taken from the enemy in this war, as might be agreed upon at a later date, and also such other territories as might voluntarily be placed under trusteeship". The position thus publicly announced has been confirmed by the conversations which are now taking place

in San Francisco

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in San Francisco in regard to trusteeships. Throughout these discussions [the American delegation has insisted upon the necessity of providing for a progressive measure of self-government for all dependent peoples looking toward their eventual independence or incorporation in some form of federation according to circumstances and the ability of the peoples to assume these responsibilities. Such decisions would preclude the establishment of a trusteeship in Indochina except with the consent of the French Government. The latter seems unlikely. Nevertheless it is the President's intention at some appropriate time to ask that the French Government give some positive indication of its intentions in regard to the establishment of civil liberties and increasing measures of self-government in Indochina before formulating further declarations of policy in this respect.]

In the meantime the President has explained to the French Foreign Minister that whereas we welcome French participation in the war against Japan the determination of the extent that it would be practical and helpful to have French forces join with us in such operations must be left to the Commander in Chief, United States Army Forces, Pacific. The Joint Chiefs of Staff are at present engaged in a study of the possibilities of French help along the lines of the following suggestions:

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. Owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot, however, be contemplated at this time. American troops should not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of

British .

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British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved, regardless of the theatre of operations from which the assistance may be sent, provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

. . . . .  
/s/ GREW

Acting

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6. We have agreed that provision British shipping for military purposes in Pacific as described above is more important than blow up of 18 SAM ships to carry troops and we expect to drop request for conversions.

7. If you have any comments or recommendations please cable soonest to Bissell London. Otherwise will assume you authorize Monroe to arrange for use of M. W. T. vessels on above basis for August loadings in U. K.

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EDITOR'S NOTE.—For the final Conference texts on this subject, as included in the Report by the Combined Chiefs of Staff to the President and the Prime Minister, see *post*, pages 1464 ff.

FRENCH AND NETHERLAND PARTICIPATION IN THE WAR AGAINST  
JAPAN

No. 1288

J. C. S. Files

*Memorandum by the United States Chiefs of Staff*<sup>1</sup>

TOP SECRET  
C. C. S. 395

[BABELSBERG,] 16 July 1945.

PARTICIPATION OF TWO FRENCH COLONIAL INFANTRY DIVISIONS  
IN FAR EASTERN OPERATIONS

There are attached (Enclosure "A") a memorandum in which the French propose to place a French corps of two infantry divisions under American command in the Pacific war and (Enclosure "B") a reply proposed by the United States Chiefs of Staff. Since the British Chiefs of Staff may have views as to the areas in which these French troops should be employed, though perhaps not under United States command, their comment or concurrence is requested. General MacArthur proposes, if the French corps is assigned to him, to use it in the main effort against Japan in late spring of 1946.

<sup>1</sup> Considered by the Combined Chiefs of Staff at their 196th Meeting, July 19. See *ante*, p. 113.

[No. 1288]

This army corps being put at the entire disposal of the American command, it seems logical to the French General Staff to give its units

worked out in accord with the American command.

3) Supporting units and services of the army corps would also be ready by the end of July. Details of its equipment will have to be

time of receipt of its equipment, to participate in actual combat. In case the above is delivered only in the theater of operations, a corresponding delay would be needed by the 1st Division, from the

suggested. To save time, immediate delivery of its equipment is therefore

of its equipment. It is to be expected that the latter unit, in view of the previous train-

ing of its personnel, will be ready for combat duty a month after receipt

time. will be ready by the end of July, provided it receives its equipment on

several months ago. This division, whose colored troops will be

2) The 1st Colonial Infantry Division of the Far East, planned the theater of operations. It seems advisable that the 3rd Division receive its equipment in

The above will be ready to be shipped by the end of June. volunteers of men unfit for overseas duty).

would only require certain transfers of personnel (replacement by

In order to be able to operate in the Pacific war zone, this division

taken a brilliant part in the French and German campaigns. 1) The 9th Colonial Infantry Division, already well trained, having

1) The 9th Colonial Infantry Division, already well trained, having

Subject: French participation in Far Eastern operations

MEMORANDUM FOR GENERAL GEORGE C. MARSHALL

WASHINGTON, May 29, 1945.

TOP SECRET No. 432/DM

The Chief of the French Military Mission in the United States (Brossin de

the war against Japan was viewed favorably.

General Juin on the other, the principle of a French participation in

Minister of Foreign Affairs of the French Provisional Government,

on the one hand, and President Truman, General Marshall and

During conversations between President Truman and Mr. Bidault,

Following these conversations, the French Government puts at the

entire disposal of the American command, for operations in the Far

East, an army corps comprising two divisions, besides corps-support-

ing and service units.

This army corps should include:—

[Enclosure A]

CONFERENCE DOCUMENTS AND SUPPLEMENTARY PAPERS

JAPAN

an organization similar to that of corresponding American units in the Far East.

It is therefore requested, in regard to divisions as well as to supporting army corps units and services, that the types of units to be organized, be exactly defined.

It is finally suggested, in order to facilitate further negotiations, that Supreme Headquarters, Allied Expeditionary Force, be authorized to deal directly with the French command in what concerns details of the matters herewith referred to.

A. M. BROSSIN DE SAINT DIDIER

[Enclosure B]

TOP SECRET

DRAFT

MEMORANDUM FOR THE CHIEF OF THE FRENCH MILITARY MISSION  
TO THE UNITED STATES

1. With reference to your memorandum of 29 May 1945<sup>3</sup> addressed to the Chief of Staff, U. S. Army, the United States Chiefs of Staff accept in principle that portion of your proposal whereby the French Government puts at the entire disposal of the American command a French army corps of two infantry divisions, with corps-supporting and service units on the U. S. scale, for operations in the war against Japan. This acceptance in principle is with the understanding that the agreement on this matter with the French Government will include the following provisions:—

a. This French corps will be, both during the period of hostilities and in the post-hostilities readjustment period until released by the United States, subject to the complete command and control of the United States command in the same manner as a U. S. army corps.

b. Movement of the corps from France will be contingent upon the French corps having, in the opinion of the United States command, a combat efficiency based on United States standards.

c. Assurance that adequate trained replacements will be provided by the French Government as necessary.

d. Maximum use will be made of equipment provided under the North African and Metropolitan Rearmament Programs.

e. The implementation of this agreement including matters such as accompanying supporting and service units, provisions for equipment, and the planning and timing for the movement and employment of the corps will be in accordance with plans and arrangements to be determined by the United States military authorities who will deal directly with the French military authorities.

<sup>3</sup> Enclosure A, *supra*.

[No. 1233]

CONFERENCE DOCUMENTS AND SUPPLEMENTARY PAPERS

2. Pressing requirements for operations in the Pacific during the coming months make certain that it will not be possible to move this corps from France for at least several months after the dates you suggest, and it appears unlikely that this corps will be committed to operations prior to the spring of 1946.

3. The United States Chiefs of Staff will advise you further in this matter subsequent to the conclusion of a governmental agreement.

No. 1289

J. C. S. Files

*Memorandum by the United States Chiefs of Staff*<sup>1</sup>

TOP SECRET

[BABELSBERG,] 18 July 1945.

C. C. S. 842/2

FRENCH AND DUTCH PARTICIPATION IN THE WAR AGAINST JAPAN

The United States Chiefs of Staff recommend that the Combined Chiefs of Staff forward the enclosed memorandum to the French and Netherlands Representatives to the Combined Chiefs of Staff in lieu of the memorandum in the Enclosure to C. C. S. 842/1.<sup>2</sup>

[Enclosure]

TOP SECRET

DRAFT

MEMORANDUM TO THE FRENCH AND NETHERLANDS REPRESENTATIVES  
TO THE COMBINED CHIEFS OF STAFF<sup>3</sup>

The Combined Chiefs of Staff have given consideration to the question of French/Netherlands participation in the war against Japan and wish to inform you of their views which are as follows:—

a. While it is at present impracticable due chiefly to logistical difficulties for French or Netherlands armed forces to take a major part in the immediate operations in the Far East, the provision of such assistance which may be synchronized with operations will be taken into account by the Combined Chiefs of Staff. The use of such forces will depend solely on military considerations. French or Netherlands forces so accepted must operate under the complete control of the commander in chief concerned.

b. In implementing this policy the Combined Chiefs of Staff undertake to give the French/Netherlands representatives timely

<sup>1</sup> Considered by the Combined Chiefs of Staff at their 195th Meeting, July 18. See *ante*, p. 83.

<sup>2</sup> Document No. 617, printed in vol. 1.

<sup>3</sup> Separate memoranda based on this text were dispatched to the French and Netherlands Representatives by the Combined Secretariat of the Combined Chiefs of Staff in Washington on July 10.

JAPAN

information of their intentions in respect of any operations that will directly affect French/Netherlands territories or armed forces in the Far East.

No. 1290

J. C. S. Files

*Memorandum by the British Chiefs of Staff*<sup>1</sup>

TOP SECRET  
C. C. S. 895/1

[BABELSBERG,] 18 July 1945.

PARTICIPATION OF TWO FRENCH COLONIAL INFANTRY DIVISIONS IN  
FAR EASTERN OPERATIONS

1. We have examined the proposals by the United States Chiefs of Staff for the employment of two French colonial infantry divisions in Far Eastern operations, as set out in C. C. S. 895.<sup>2</sup>
2. In the light of the discussion at C. C. S. 194th Meeting held on 17 July 1945,<sup>3</sup> we suggest it would be preferable for the two French divisions to be employed in due course in French Indo-China.
3. The question of under whose command this force would operate would, we suggest, be decided in the light of the situation at the time.

<sup>1</sup> Considered by the Combined Chiefs of Staff at their 196th Meeting, July 19. See *ante*, p. 113.

<sup>2</sup> Document No. 1288.

<sup>3</sup> See *ante*, pp. 48-51.

No. 1291

J. C. S. Files

*Memorandum by the United States Chiefs of Staff*<sup>1</sup>

TOP SECRET  
C. C. S. 895/2

[BABELSBERG,] 19 July 1945.

PARTICIPATION OF TWO FRENCH COLONIAL INFANTRY DIVISIONS IN  
FAR EASTERN OPERATIONS

The United States Chiefs of Staff have considered the comments of the British Chiefs of Staff in C. C. S. 895/1<sup>2</sup> as to the employment of the two French divisions and recommend that the enclosed memorandum be forwarded by the Combined Chiefs of Staff to the Chief of the French Military Mission to the United States in lieu of Enclosure "B" to C. C. S. 895.<sup>3</sup>

<sup>1</sup> Considered by the Combined Chiefs of Staff at their 196th Meeting, July 19. See *ante*, p. 113.

<sup>2</sup> Document No. 1290.

<sup>3</sup> Document No. 1288.

[No. 1291]

CONFERENCE DOCUMENTS AND SUPPLEMENTARY PAPERS

[Enclosure]

TOP SECRET

DRAFT

MEMORANDUM FOR THE CHIEF OF THE FRENCH MILITARY MISSION  
IN THE UNITED STATES<sup>4</sup>

The Combined Chiefs of Staff accept in principle your offer of a French corps of two infantry divisions to serve in the Pacific war on the understanding that:—

- a. Whether the corps will serve under U. S. or British command and the area in which it will operate will be determined later.
- b. Final acceptance of the corps will involve an agreement with the government concerned on basic matters including command, combat efficiency, replacements, and logistical support.
- c. Maximum use will be made of equipment provided under the North African and Metropolitan Rearmament Program.
- d. The time of movement will be in accordance with the priority of the operations in which it is to be used. Pressing shipping and other requirements for operations in the Pacific make certain that the corps cannot be moved from France for at least several months. Whether used in the main effort or in the South China Sea area, it will not be possible to commit it to operations prior to the spring of 1946.

<sup>4</sup> This text was communicated to the Chief of the French Military Mission in a memorandum dispatched by the Combined Secretariat of the Combined Chiefs of Staff in Washington on July 19.

## FINAL DOCUMENTS

REPORT BY THE COMBINED CHIEFS OF STAFF, APPROVED  
BY THE HEADS OF GOVERNMENT OF THE UNITED  
STATES AND THE UNITED KINGDOM

No. 1381

J. C. S. Files

*The Combined Chiefs of Staff to President Truman and Prime Minister  
Churchill*<sup>1</sup>

TOP SECRET

[BABELSBERG, July 24, 1945.]

Enclosure to C. C. S. 900/3

REPORT TO THE PRESIDENT AND PRIME MINISTER OF THE AGREED  
SUMMARY OF CONCLUSIONS REACHED BY THE COMBINED CHIEFS  
OF STAFF AT THE "TERMINAL" CONFERENCE

1. The agreed summary of conclusions reached at the TERMINAL  
Conference is submitted herewith.

### I. OVER-ALL OBJECTIVE

2. In conjunction with other Allies to bring about at the earliest  
possible date the unconditional surrender of Japan.

### II. OVER-ALL STRATEGIC CONCEPT FOR THE PROSECUTION OF THE WAR

3. In cooperation with other Allies to bring about at the earliest  
possible date the defeat of Japan by: lowering Japanese ability and  
will to resist by establishing sea and air blockades, conducting intensive  
air bombardment, and destroying Japanese air and naval strength;  
invading and seizing objectives in the Japanese home islands as the  
main effort; conducting such operations against objectives in other  
than the Japanese home islands as will contribute to the main effort;  
establishing absolute military control of Japan; and liberating  
Japanese-occupied territory if required.

4. In cooperation with other Allies to establish and maintain, as  
necessary, military control of Germany and Austria.

<sup>1</sup> Text as approved by Truman and Churchill on July 24. See *ante*, p. 344.

REPORT BY COMBINED CHIEFS OF STAFF

III. BASIC UNDERTAKINGS AND POLICIES FOR THE PROSECUTION  
OF THE WAR<sup>2</sup>

5. The following basic undertakings are considered fundamental to the prosecution of the war:—

- a. Maintain the security and war-making capacity of the Western Hemisphere and the British Commonwealth as necessary for the fulfillment of the strategic concept.
- b. Support the war-making capacity of our forces in all areas, with first priority given to those forces in or designated for employment in combat areas in the war against Japan.
- c. Maintain vital overseas lines of communication.

6. In order to attain the over-all objective, first priority in the provision of forces and resources of the United States and Great Britain, including reorientation from the European Theater to the Pacific and Far East, will be given to meeting requirements of tasks necessary to the execution of the over-all strategic concept and to the basic undertakings fundamental to the prosecution of the war.

The invasion of Japan and operations directly connected therewith are the supreme operations in the war against Japan; forces and resources will be allocated on the required scale to assure that invasion can be accomplished at the earliest practicable date. No other operations will be undertaken which hazard the success of, or delay, these main operations.

7. The following additional tasks will be undertaken in order to assist in the execution of the over-all strategic concept:—

- a. Encourage Russian entry into the war against Japan. Provide such aid to her war-making capacity as may be necessary and practicable in connection therewith.
- b. Undertake such measures as may be necessary and practicable in order to aid the war effort of China as an effective ally against Japan.
- c. Provide assistance to such of the forces of liberated areas as can fulfill an active and effective role in the present war in accordance with the over-all strategic concept. Within the limits of our available resources assist co-belligerents to the extent they are able to employ this assistance in the present war. Having regard to the successful accomplishment of basic undertakings, to provide such supplies to the liberated areas as will effectively contribute to the capacity of the United Nations to prosecute the war against Japan.

<sup>2</sup> In the draft report to the President and the Prime Minister circulated on July 23, 1945, the enclosure to C. O. S. 600/2, the following language constituted the complete text under this heading: "(The respective views of the United States and British Chiefs of Staff are set out in parallel columns in Appendix A.)" For the text of appendix A to C. O. S. 600/2, see document No. 1568. With the resolution of the differences of view set forth in appendix 2 to C. O. S. 600/2 (see ante, pp. 349-353), the subject matter of this appendix was dealt with in paragraphs 5, 6, and 7 of the body of the final report. This material is the substance of the other appendices. Appendix 3 to C. O. S. 600/2 became appendix A to C. O. S. 600/2, as set out.



CONFERENCE DOCUMENTS AND SUPPLEMENTARY PAPERS

d. In cooperation with other Allies conduct operations, if required, to liberate enemy-occupied areas.

IV. THE WAR AGAINST JAPAN

*Strategic Direction of the War*

8. We have discussed the strategic direction of the war against Japan and have agreed as follows:—

a. The control of operational strategy in the Pacific Theater will remain in the hands of the United States Chiefs of Staff.

b. The United States Chiefs of Staff will provide the British Chiefs of Staff with full and timely information as to their future plans and intentions.

c. The United States Chiefs of Staff will consult the British Chiefs of Staff on matters of general strategy on the understanding that in the event of disagreement the final decision on the action to be taken will lie with the United States Chiefs of Staff.

d. In the event the British Chiefs of Staff should decide that they cannot commit British troops in support of a decision made by the United States Chiefs of Staff as indicated in c. above, the British Chiefs of Staff will give to the United States Chiefs of Staff such advance notice of their decision as will permit them to make timely rearrangements.

e. In the event the U. S. S. R. enters the war against Japan, the strategy to be pursued should be discussed between the parties concerned.

*Operations in the Pacific*

9. We have taken note of the plans and operations proposed by the United States Chiefs of Staff in Appendix "A."

10. We have considered the scope and nature of British participation in operations in the Pacific area. Our conclusions are as follows:—

a. The British Pacific Fleet will participate as at present planned.

b. A British very long range bomber force of 10 squadrons, increasing to 20 squadrons when more airfields become available, will participate. There is little prospect that airfield space for more than 10 squadrons of this force will become available before 1 December 1945 at the earliest.

c. We have agreed in principle that a Commonwealth land force and, if possible, a small tactical air force, should take part in the final phase of the war against Japan, subject to the satisfactory resolution of operational and other problems. In addition, some units of the British<sup>3</sup> East Indies Fleet may also take part.

11. In connection with paragraph 10 c. above, we have agreed that the appropriate British commanders and staff should visit Admiral Nimitz and General MacArthur and draw up with them a plan for submission to the Combined Chiefs of Staff.

<sup>3</sup> The word "British" does not appear at this point in C. C. S. 900/2.

REPORT BY COMBINED CHIEFS OF STAFF

*Operations in Southeast Asia Command*

12. We have discussed the instructions that should be issued to the Supreme Allied Commander, Southeast Asia, and have agreed upon the terms of the directive in Appendix "B."

*Reallocation of Areas and Command in the Southwest Pacific and Southeast Asia Areas*

13. We have agreed in principle that that part of the Southwest Pacific Area lying south of the boundary described in Appendix "C" should pass from United States to British command as soon as possible. The British Chiefs of Staff have undertaken to obtain the agreement of the Australian, New Zealand, and Dutch Governments to these proposals and to investigate and report the earliest practicable date on which the transfer can be effected.

14. We consider it desirable that initially Admiral Mountbatten control operations undertaken in southern Indo-China since these are more closely related to those of Southeast Asia Command than to those of the China Theater. We are agreed that the best arrangement would be to include that portion of Indo-China lying south of latitude 16° north in Southeast Asia Command. This arrangement would continue General Wedemeyer's control of that part of Indo-China which covers the flank of projected Chinese operations in China, and would enable Admiral Mountbatten to prepare the ground in the southern half of Indo-China where any initial operations by him would develop.

We recommend that an approach to Generalissimo Chiang Kai-shek<sup>4</sup> be made by our two governments to secure his agreement to this arrangement.

At a later date it may prove to be desirable to place all or part of the remainder of Indo-China within the sphere of operations of the Southeast Asia Command.

*French and Dutch Participation in the War*

15. We have considered the arrangements which can be made for French and Dutch participation in the war against Japan and our conclusions are as follows:—

a. While it is at present impracticable due chiefly to logistical difficulties for French or Netherlands armed forces to take a major part in the immediate operations in the Far East, the provision of such assistance which may be synchronized with operations will be taken into account. The use of such forces will depend solely on military considerations. French or Netherlands forces so accepted must operate under the complete control of the commander in chief concerned.

<sup>4</sup> C. C. S. 900/2 reads: "an approach to the Generalissimo".

CONFERENCE DOCUMENTS AND SUPPLEMENTARY PAPERS

b. The French/Netherlands representatives will be given timely information of our intentions in respect of any operations that will directly affect French/Netherlands territories or armed forces in the Far East.

16. We have considered an offer by the French of a French corps of two infantry divisions to serve in the Pacific war and have agreed on the following reply:—

- "a. Whether the corps will serve under U. S. or British command and the area in which it will operate will be determined later.
- "b. Final acceptance of the corps will involve an agreement with the government concerned on basic matters including command, combat efficiency, replacements, and logistical support.
- "c. Maximum use will be made of equipment provided under the North Africa and Metropolitan Recarmament Programs.
- "d. The time of movement will be in accordance with the priority of the operations in which it is to be used. Pressing shipping and other requirements for operations in the Pacific make certain that the corps cannot be moved from France for at least several months. Whether used in the main effort or in the South China Sea area, it will not be possible to commit it to operations prior to the spring of 1946."

*Portuguese Participation in the War*

17. We have examined a report by an Anglo-American Military Mission which discussed with the Portuguese military authorities Portuguese proposals for participation in such operations as may eventually be conducted to expel the Japanese from Portuguese Timor. We have informed the State Department and the Foreign Office of our views, which are set out in Appendix "D."

*Information for the Russians Concerning the Japanese War*

18. We have discussed the policy to be followed by the British and the United States Chiefs of Staff in passing to the Russians information and intelligence concerning the Japanese war and have agreed as follows:—

- a. The United States and British Chiefs of Staff will pass to the Russians such operational information and intelligence regarding the theaters in which they are respectively responsible as either may wish and without bargaining.
- b. The United States and British Chiefs of Staff will consult together before passing to the Russians any information and intelligence other than operational. Neither party will pass to the Russians information or intelligence derived wholly or in part from the other party's sources without their consent.

JAPAN

No. 1273

Nanking Embassy Files: Telegram

*The President to the Ambassador in China (Hurley)*<sup>1</sup>

TOP SECRET

BERLIN, 1 Aug[ust 1945.]

OPERATIONAL PRIORITY

Top secret from the President to Ambassador Hurley.

Please deliver the following message from me to Generalissimo Chiang Kai-shek.

"1. At the Potsdam Conference the Prime Minister of Great Britain and I, in consultation with the Combined Chiefs of Staff, have had under consideration future military operations in South-East Asia.

2. On the advice of the Combined Chiefs of Staff we have reached the conclusion that for operational purposes it is desirable to include that portion of French Indo-China lying south of 16° north latitude in the Southeast Asia Command. This arrangement would leave in the China Theater that part of Indo-China which covers the flank of projected Chinese operations in China and would at the same time enable Admiral Mountbatten to develop operations in the southern half of Indo-China.

3. I greatly hope that the above conclusions will recommend themselves to Your Excellency and that, for the purpose of facilitating operations against the common enemy, Your Excellency will feel able to concur in the proposed arrangements.<sup>2</sup>

4. I understand that the Prime Minister of Great Britain is addressing a communication to Your Excellency in a similar sense.

Signed Harry S. Truman."

<sup>1</sup> There is in the Truman Papers a typed draft of a telegram from Atlee to Chiang on which manuscript changes have been made to convert it into a message from Truman to Hurley which is substantially identical with the message here printed as received in Chungking.

<sup>2</sup> Chiang's reply was not received until after the conclusion of the Berlin Conference.

[No. 1273]

**SECRET**

DEPARTMENT OF STATE  
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OFFICE OF STRATEGIC SERVICES

WASHINGTON 25, D. C.

22 August 1945

Office of  
FAR EASTERN AFFAIRS  
AUG 24 1945  
DIRECTOR  
Department of State

AUG 25 1945  
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ASSISTANT SECRETARY  
AUG 23 1945  
MR. DUNN  
DEPARTMENT OF STATE

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*MS*  
*9-10-45*  
*DC/1*

Honorable James C. Dunn  
Assistant Secretary of State  
Department of State

Dear Jimmy:

I think the Secretary will be interested in the enclosed message from the OSS representative in Kunming. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

*Donovan*

William J. Donovan  
Director

Enclosure.

OS 38 Unit  
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OFFICE OF STRATEGIC SERVICES  
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851G.01/8-2245

OS/LE

OFFICE OF STRATEGIC SERVICES  
WASHINGTON 25, D. C.

SECRET

22 August 1945

MEMORANDUM FOR THE SECRETARY OF STATE:

The OSS representative in Kunming has transmitted the following information concerning the French attitude toward the Indo-Chinese Provisional Government. The Provisional Government was the subject of our two memoranda of 21 August.

The French Government has decided to adopt a passive diplomatic attitude toward the reoccupation of Indo-China because of their inability to make an entry with a powerful show of arms. A committee of three has been appointed by the French Government in Paris, composed of the chief of the Kunming DGER [French Intelligence Service], the Minister of Colonies, and the Administrator General of Colonies. Its mission is to contact Annamite leaders and negotiate with them on terms favorable to the Indo-Chinese, according to Major Sainteny, who will represent the committee in Hanoi. The French policy will be one of liberal administration in the capacity of advisors to the Indo-Chinese Provisional Government, to be established by the Kuomintang Annamite and the Vietminh, which together form a committee of national liberation. (The Vietminh is a 100% Communist party, with a membership of approximately 20% of the active political native element. The Kuomintang Party comprises six minority parties and a score of independent ones.) The French Committee has been charged with the task of negotiating directly with Indo-Chinese leaders and deciding on the best modus operandi. It has full powers of signing treaties in the name of France. The committee will in turn report to Paris, which retains the prerogative of making minor amendments to the general agreement. Annamite leaders in Kunming and representatives of the Central Liberation Committee recently from Hanoi, have expressed a desire to bring Indochina [Annam?] in Indo-China under the status of an American protectorate, and are hoping that the US will intercede with the United Nations for the exclusion of the French, as well as Chinese, from the reoccupation of Indo-China.

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Well-informed French and Annamese sources state that the Central Committee has been negotiating with local Japanese military authorities for the purchase of guns and ammunition, with the intent of using them, should either the French or Chinese attempt to reoccupy their areas. The Indo-Chinese fear a Chinese reoccupation because they feel the Chinese will become squatters living off the land, pillaging, raping, and looting. The French concur in this opinion only in so far as to wish exclusive administrative rights for themselves. The leader of the Annamite Kuomintang Party in China and a direct representative of the Central Liberation Committee in Hanoi, made the following statement on 15 August:

"Should the French attempt to return to Indo-China with the intention of governing the country, and to act once more as oppressors, the Indo-Chinese people are prepared to fight to the end against any such reoccupation. On the other hand, if they came as friends to establish commerce, industry and without aspirations to governmental rule, they will be welcomed the same as any other foreign power. The Central Committee wishes to make known to the United States Government that the Indo-Chinese people first of all desire the independence of Indo-China, and are hoping that the United States, as a champion of democracy, will assist her in securing this independence in the following manner: (1) Prohibiting, or not assisting the French to enter Indo-China; (2) keeping the Chinese under control, in order that looting and pillaging will be kept to a minimum; (3) sending technical advisors to assist the Indo-Chinese to exploit the resources of the land; and (4) developing those industries that Indo-China is capable of supporting.

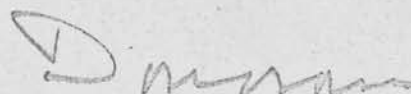
"In conclusion, the Indo-Chinese would like to be placed on the same status as the Philippines for an undetermined period."

The French representative in Kunming, Major Sainteny, is now receiving material aid from the Section Liaison Francaise--Extreme Orient (SLFEO) Calcutta in making arrangements and readying personnel for the re-entry into Indo-China. His group were prepared to leave on the morning of 17 August. However, on arrival

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at the airfield, they were confronted with Chinese and American military police posted about the plane, prohibiting them from leaving the airfield. In conversation later that day with Major Sainteny, he expressed the thought that the French had been betrayed by the Americans. He stated further that the Americans in China have right along been playing the Chinese game, although unwittingly. When questioned concerning his intentions from now on, he reluctantly stated there was nothing for the French to do but await instructions from Chungking. The French DGER in Kunming had infiltrated teams of men into Haiphong under the leadership of a Captain Blanchard. He has made contact with Lt. Col. Kamiya, former liaison officer between the Japanese military headquarters in Hanoi and Admiral Decoux' administration. Kamiya detained this team in Haiphong, confining their activities to transmitting messages concerning the surrender and meteorological data to the French headquarters in Kunming.

Reports from Kandy state that Col. Roos, Chief of the SLECO in Calcutta, is now en route to Saigon to take part in the Japanese surrender on the staff of the British representatives. With Col. Roos is Col. Fay, formerly French Air Attache in Kunming, whose exact status is undetermined, but who is a member of Lord Mountbatten's staff.



William J. Donovan  
Director



851G.01/10-545 : Telegram

*The Acting Secretary of State to the Chargé in China (Robertson)*

WASHINGTON, October 5, 1945—6 p. m.

1622. Following pertinent extracts from Dept 657 August 30, to New Delhi<sup>34</sup> for Bishop<sup>35</sup> are repeated for your information.

<sup>34</sup> Not printed.

<sup>35</sup> Max W. Bishop, Secretary of the American Commission at New Delhi.

"US has no thought of opposing the reestablishment of French control in Indochina and no official statement by US Govt has questioned even by implication French sovereignty over Indochina. However, it is not the policy of this Govt to assist the French to reestablish their control over Indochina by force and the willingness of the US to see French control reestablished assumes that French claim to have the support of the population of Indochina is borne out by future events."

ACHESON

851G.00/10-1245 : Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

PARIS, October 12, 1945—7 p. m.

[Received October 13—1:30 a. m.]

6006. My 5964, October 10.<sup>36</sup> Last night's semi-official *Le Monde*

<sup>36</sup> Not printed.

gives further details re Franco-British agreement on Indochina. *Le Monde* states agreement will not be published at this time but that principal provisions are known.

In the agreement French Civil Administration is recognized as sole authority in that part of Indochina south of 16th parallel. Only exceptions result from presence of British troops in this part of Indochina and these exceptions do not affect principles of agreement. *Le Monde* adds agreement is designed to determine relations between French Civil Administration and British military authorities and provides that British Commander will not intervene in civil affairs except through French authority. Latter in Turkey agree to fulfill any requests arising from presence of British troops. Agreement provides British troops will only be there temporarily for purpose of enforcing terms of Jap surrender and to assure repatriation of Allied prisoners and civilian internees.

It is again emphasized that cordial atmosphere of negotiations was indication of solidarity of Franco-British relations in that part of the world.

Sent Department as 6006, repeated London as 748.

CAFFERY

851G.00/11-2845; Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

PARIS, November 28, 1945.

[Received November 28—4:05 p. m.]

6857. Speaking of Indochina Chauvel<sup>37</sup> said that when trouble

<sup>37</sup> Jean Chauvel, Secretary-General to the French Minister for Foreign Affairs, with the Annamites broke out de Gaulle had been urged by the French Mission in India to make some sort of policy statement announcing France's intention to adopt a far-reaching progressive policy designed to give the native population much greater authority, responsibility and representation in govt. De Gaulle considered the idea but rejected it because in the state of disorder prevailing in Indochina he believed that no such policy could be implemented pending restoration of French authority and would therefore just be considered by everyone as "merely more fine words". Furthermore de Gaulle and the Foreign Minister believe that the present situation is still so confused and they have so little information really reliable on the overall Indochina picture that such plans and thoughts as they held heretofore may have to be very thoroughly revised in the light of recent developments.

Despite the fact that the French do not feel that they can as yet make any general statements outlining specific future plans for Indochina, Chauvel says that they hope "very soon" to put into operation in certain areas programs including local elections which will be designed to grant much greater authority and greater voice in affairs to the natives. This he said would be a much better indication of the sincerity of French intentions than any policy statement.

In this connection he said that Admiral d'Argenlieu<sup>38</sup> is in touch

<sup>38</sup> Adm. Thierry d'Argenlieu, Governor General of French Indochina.

with the King of Cambodia and the latter has indicated that he has no hostility to the French (but on the contrary apparently fears both Annamite and Siamese aspirations). The French hope soon to negotiate an agreement with him which will result in the granting of much greater responsibility and authority to the Cambodians. He mentioned specifically that there would be many more natives integrated into the local administrative services and it was also hoped that local elections could soon be held. The French he said intend to follow the same procedure in Laos when the situation permits and eventually also in Annam and Tonkin. When order is restored throughout Indochina and agreements have been reached with the individual states

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Chauvel said the French intend to embody the results of these separate agreements into a general program for all of Indochina.

Insofar as the Chinese are concerned Chauvel said that he does not believe they are encouraging the Annamites who have a hearty dislike of the Chinese nor does he believe they have any territorial aspirations in Indochina. On the other hand he thinks the Chinese are definitely trying to get the maximum "squeeze" from the French in the form of occupational costs for their army, et cetera (my 6815, November 26.<sup>39</sup>)

<sup>39</sup> Not printed.

He also mentioned the economic negotiations with the Chinese relating to Indochina and said that the French are perfectly agreeable to the establishing of free ports for the Chinese with certain transit rights and use of railways, et cetera in Tonkin where they would be of real use but the Chinese are demanding free port and transit rights for the whole of Indochina. Furthermore, the Chinese are desirous of obtaining title to the northern section of the Indochinese Yunnan Railway. Chauvel was not inclined to place any great importance of [on] these differences of opinion and thought that agreement will be reached.

CAFFERY

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856E.00/1-1846

DEPARTMENT OF STATE  
OFFICE OF EUROPEAN AFFAIRS  
DIVISION OF WESTERN EUROPEAN AFFAIRS

January 18, 1946.

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Mr. Acheson:

As you know we have been following a policy by which we will not permit the French to buy armament and military maintenance supplies for use in Indochina. The British military authorities in Indochina have now asked permission to turn over to the French some 800 jeeps and trucks which had been given to the British under Lend-Lease, and which are now in Indochina. The British state that the French must have this equipment so that they can maintain order in Indochina when they have taken over from the British. Our own military authorities have recommended approval of the British request. The French, and no doubt the British also, will be very much upset if we refuse to permit this transfer. However, in the light of our recently adopted policy we may be subjecting ourselves to criticism if we permit this transfer for the purposes stated, i.e., maintenance of order.

I would appreciate having your direction as to the response which we should make to the military.

H. Freeman Matthews

WE:PTC

Handwritten note by Acheson

EUR Mr. Matthews.

I discussed this with the President who thought that we should agree to the transfer. He pointed out that this does not bring any new equipment into the area and that to remove the trucks and jeeps would be impracticable.

DA.

FRENCH INDOCHINA

THE INTEREST OF THE UNITED STATES IN NATIONALIST OPPOSITION TO RESTORATION OF FRENCH RULE IN INDOCHINA<sup>1</sup>

<sup>1</sup>For previous documentation on the future of Indochina, see *Foreign Relations*, 1945, vol. VI, pp. — ff.

851G.00/1-2446: Telegram

*The Secretary of State to the Assistant Chief of the Division of Southeast Asian Affairs (London), Then at Saigon*

SECRET

WASHINGTON, January 28, 1946—noon.

Please proceed Hanoi, remaining such time as you consider necessary, and report to Dept as fully as possible on conditions northern Indochina and especially on any French-Viet Minh negotiations. D'Argenlieu<sup>2</sup> understood to have stated privately that French negotia-

<sup>2</sup>Adm. Thierry d'Argenlieu, High Commissioner of French Indochina. tions with Ho Chi Minh<sup>3</sup> have been proceeding since late Nov and

<sup>3</sup>"President of the Provisional Government of Vietnam Democratic Republic". satisfactory agreement anticipated by end of Jan. Other reports deny existence negotiations. D'Argenlieu also reported to have expressed personal willingness accept Philippine model for Annam with independence at end 30 years. Urtel from Saigon received Jan 24<sup>4</sup> ap-

<sup>4</sup>Not printed, but see paragraph 2 of telegram 182, January 30, 6 p. m., to Chungking, p. —.

preciated. Please try to secure maximum information details French or Annamese economic agreements with Chinese and status of such agreements.

SSU exploring possibility for SSU representative proceed Hanoi. Reed<sup>5</sup> expected Saigon end of Feb.

<sup>5</sup>Charles S. Reed, 2d, Consul assigned to Saigon.

BYRNES

851G.00/1-3046

*Memorandum of Conversation, by Mr. Richard L. Sharp, of the Division of Southeast Asian Affairs*

RESTRICTED

[WASHINGTON.] January 30, 1946.

Participants: Brigadier General Philip E. Gallagher, War Department;  
Colonel Vittrup, War Department Liaison;  
Mr. Charles S. Reed, FSO;  
Mr. Woodruff Wallner, WE;  
Mr. Abbot Low Mofat,<sup>6</sup> SEA;  
Mr. R. L. Sharp, SEA.

<sup>6</sup>Chief, Division of Southeast Asian Affairs.

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Asked when, in his opinion, the Chinese would get out of Indochina, General Gallagher said that General Lu Han <sup>7/</sup> had told him the

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<sup>7/</sup> Commanding General of Chinese armed forces in Indochina.

Chinese would move out when the job given them by the Allies was completed. General Gallagher said he thought they really intend to do this although the whole matter depends upon the removal of the Japanese. To date, shipping for this purpose has not been available but now it is understood that United States bottoms will be used. The question is, therefore, when will such ships be allocated. General Gallagher said he had recommended to General Wedemeyer <sup>8/</sup> that high priority should be given such allocation.

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<sup>8/</sup> Lt. Gen. Albert C. Wedemeyer, Commanding General, U.S. Forces, China Theater, and concurrently Chief of Staff, China Theater.

There are some 20 to 30 thousand Japanese in Haiphong and the Do Son Peninsula. No political settlement can be reached in Indochina until the Chinese move out and they cannot do that until the Japanese are repatriated. General Gallagher added that he thought US army teams would have to be put into Indochina to concentrate and prepare the Japanese for evacuation.

General Gallagher was asked whether he knew of any arrangement whereby French forces moving into the north would overlap departing Chinese forces. He replied that in December Sainteny <sup>9/</sup> said that no French would enter until

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<sup>9/</sup> Jean Sainteny, French Commissioner of Tonkin and North Annam.

the Chinese left. General Gallagher thought the French were probably not getting very far in negotiating with the Chinese on problems connected with their removal. Unless in the meantime something has been arranged between the French and the Chinese, the French would probably infiltrate overland from the south rather than land in force in northern ports.

General Gallagher pointed out that little love was lost between the Chinese and the French; that the presence of the American group in Hanoi restrained anti-French Chinese action; and that he himself had influenced General Lu Han to bring Sainteny and Ho Chi Minh together and confront both with a strong directive that order must be maintained. The existence of a vacuum in the north with neither French nor Chinese troops present would be extremely dangerous, as the Annamese would react strongly against all French in the area, who would be helpless in protecting themselves. To take over successfully, the French would need a sufficient force to cover the whole north. One or two modern French divisions could, in General Gallagher's opinion, defeat the Annamese.

In response to the question whether the French could do more than take key cities, he admitted that the Annamese would take to the hills and continue guerrilla warfare. Even in Saigon, he pointed out, things are far from peaceful despite British and French claims to the contrary. Establishment of French control could be speeded up if they were able to make large-scale air drops throughout the north. The Annamese, however, are well organized and, so far as small arms go, are quite well armed, although they have no navy, shore batteries and probably little artillery.

The question was raised whether the French mission in Hanoi was in fact negotiating with Ho Chi Minh. General Gallagher replied that the Viet Minh Provisional Government was at first willing to negotiate; then in October, after de Gaulle's<sup>10</sup> pronouncements on

<sup>10</sup> Gen. Charles de Gaulle, President of the Provisional Government of the Republic of France until January 26.

colonial policy, the Annamese refused to negotiate with the French and reacted vigorously against all French nationals in Hanoi. The Chinese may succeed in putting in a less anti-French Annamese government so that negotiation might go forward. All French efforts to stimulate a palace revolution against Ho were of no avail. Ho himself will not deal with the French. The Viet Minh is strong and, regardless of possible superficial changes in the Provisional Government, Ho will be behind any continuing Annamese movement. General Gallagher said that Sainteny had told him he expected peaceful agreement between the French and the Annamese would be reached by negotiation.

General Gallagher was asked how effective the Viet Minh administration would be with neither French nor Chinese forces present. He replied that on the whole he was impressed by the remarkably effective Annamese administration. There was an able personnel; they were all enthusiastic and young, but there were too few of them. Whatever their technical skill, they perhaps lack executive ability and experience since the technical services in Hanoi were at first very well run but gradually deteriorated. Trained people for the government and at the municipal level are lacking. In General Gallagher's opinion the Annamese are not yet ready for self-government and in full-fledged competition with other nations they would "lose their shirts". However, the demand for independence is widespread and even in the villages the peasants refer to the example of the Philippines.

Ho is willing to cooperate with Great Britain, USSR, or the United States and would perhaps even settle for French tutelage if that were subordinated to control by the other nations. French control alone, however, will be strongly resisted. The deep-seated hatred for the French has been fanned by exceedingly clever Viet Minh propaganda.

General Gallagher was asked whether the Annamese were realistic regarding their ability to stand up against French military force. While they are too enthusiastic and too naive, he said, they probably know that they will be licked. They are strong on parades and reiterate their willingness "to fight to the last man", but they would be slaughtered and they have been told that and probably know it. The Annamese would be no match for forces with modern arms even if they themselves have some, which they may have since the Chinese found no Japanese rolling artillery and numerous Japanese anti-aircraft guns seem to have completely disappeared. United States Army representatives never did learn the extent of arms controlled by the Viet Minh. Certainly the Chinese are not turning Japanese arms over to them. Before V-J Day the Japanese undoubtedly had armed and trained many Annamese. A Japanese general claimed they had taken over on March 9 simply because the French could no longer control the Annamese, but this statement General Gallagher characterized as a lie. He had heard that under the pretext of arming Annamese gendarmes for police duty in Hanoi, the Japanese had actually armed three distinct contingents, dismissing each group when armed and

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bringing in a new one to be armed and trained. Furthermore, the Annamese had acquired Japanese arms from arsenals which had been opened. General Gallagher did not know whether or not Tai Li<sup>11</sup> was sending arms to the Viet Minh.

<sup>11</sup> Deputy Director, Bureau of Investigation and Statistics, Chinese National Commission of Military Affairs.

General Gallagher was asked whether the presence of French hostages in the north would restrain French forces when they enter the region. He pointed out that only a few French civilians had been removed by air. All the rest, besides some five thousand disarmed French troops, were still to be removed. The Chinese cannot take them out nor would Lu Han even permit their evacuation to the Do Son Peninsula. Their presence had been a constant restraining influence on Sainteny. Asked whether the Annamese would let these French be evacuated, General Gallagher replied that they would have to if the Chinese were still there, but that these French nationals would be a real problem if the Chinese were moved out. The American Army group had to exert considerable pressure on the Chinese to get them to give any freedom at all to French civilians in Haiphong, Hué and other centers besides Hanoi. However, the Chinese and French alone had arranged for shipments of food from the south. The American group, incidentally, had to intervene to prevent the monopoly by the French of such food or of food distributed by the U.S. Army. The French nationals could be evacuated from Hongai and Tourane by the United States when the Japanese were removed if the Chinese would concentrate them at those ports. However, General Gallagher noted, that would place us in a position of working against the Annamese.

Originally, General Gallagher explained, the French expected the United States to play the same role in the north that the British were playing in the south. When they found us neutral they became more and more antagonistic and did everything possible to persuade United States personnel to favor the French position. They had no appreciation of the actual help which the American group gave to the prisoners of war and some of the civilian French in the form of food, medical aid, and so on. The Annamese, too, expected American help originally, having been thoroughly indoctrinated with the Atlantic Charter and other ideological pronouncements. In our neutral role we were thus a disappointment to both sides.

In response to a question, General Gallagher gave his opinion that Lu Han would be faithful to Chungking although as governor of Yunnan he would also be influenced to maintain as fully as possible relations between Yunnan and north Indochina which would be profitable to him.

General Gallagher said that the half dozen or so top French military officers held by the Japanese had been returned to France shortly after Sainteny reached Hanoi. He did not know what had happened to Decoux.<sup>12</sup>

<sup>12</sup> Vice Adm. Jean Decoux, Governor of French Indochina, became a prisoner of war of Japan in March 1945.

Asked how "communist" the Viet Minh were, General Gallagher replied that they were smart and successfully gave the impression of not being communist. Rather, they emphasized their interest in in-

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dependence and their Annamese patriotism. Their excellent organization and propaganda techniques, General Gallagher pointed out, would seem to have the earmarks of some Russian influence. General Gallagher stated that the minority Cao Dai group were definitely Communist. In his opinion, however, the Viet Minh should not be labeled full-fledged doctrinaire communist.

At the present time the Hanoi radio is controlled by the Chinese so that there is communication between Hanoi and Saigon. A British military and civilian liaison team was sent to Hanoi and a Chinese counterpart to Saigon. The British in Hanoi at first made little progress with the Chinese but General Gallagher understands they have since made more headway.

The Chinese 60th Army in the south of the Chinese zone and the 93rd Army around Hanoi, both totalling some 50 thousand men, have been told to concentrate for removal to Manchuria, but whether they have actually moved out or not General Gallagher does not know. By December, however, the Chinese 53rd Army had begun to come in from Yunnan and would probably provide replacements for the other two Armies.

General Gallagher noted that magnetic mines have not been entirely cleared at least from the northern ports and that the threat provided by these mines has helped and would continue to help keep the French from undertaking large-scale landing operations in that area. He felt that regular rail communications between Saigon and Hanoi might not be opened for another year.

*The Assistant Chief of the Division of Southeast Asian Affairs (London) to the Secretary of State*

SECRETARY

SAIGON, February 5, 1946.  
[Received February 5—5:05 p. m.]

War Series Saig 0927. Reference Wash 06067. We are already in position to shed some light on questions asked.

1. D'Argenlieu-Ho Chi Minh negotiations have in fact been going on since November. These negotiations looking toward French recognition of independence for Annamite to be worked out somewhat along Philippine lines. I have no knowledge of period time contemplated. Negotiations would probably have been completed by now but for Leclerc raising an objection. He told the Admiral's Council that if these negotiations succeeded the French might as well leave Indochina altogether. He recommended military reconquest and state[d] HQS Army was all ready for it. Nevertheless negotiations were later resumed and are continuing between Ho Chi Minh and Sainteny who is French Commissioner for Tonkin. Hope they will be completed in 2 or 3 weeks.<sup>15</sup>

<sup>15</sup> This paragraph was reported by the Department in its telegram 630, February 7, 1946, 1 p. m., to Paris, not printed.

2. There are no Chinese economic agreements with the Annamites.  
3. Reference Franco-Chinese agreements nothing formal yet. Temporary and local agreements are as follows:

a. In north French pay in piastres for maintenance of Chinese troops. These payments considered as advances on amounts French are supposed to receive as war damage from Japanese.

b. Small part of these piastre advances is supposed to be used for withdrawal of some Chinese gold units at official rate.

c. Chinese Government advances gold units which are freely convertible into Chinese national dollars for expenses of French representatives in Chungking, Kunming and Shanghai. Such advances are only fraction of amount French are paying for Chinese troops.

d. There is an agreement for exchange of Hanoi coal for Cochinchina rice. Due to lack of shipping and troubles of various sorts the volume of exchange under this agreement has been disappointingly low.

4. Clarac now in Chungking laying groundwork for important agreements. Among other things following are contemplated:

a. Yunan-Haiphong Railway will be operated jointly by Chinese.

b. Haiphong will become free port.

c. French will exchange all live (*sic*) hundred piastre notes held by Chinese military. This will be very profitable to Chinese who have been buying them up all over country at depreciated prices.

d. Chungking with assistance of Chinese Consul Saigon is now preparing list of existing French laws and practices which tend to discriminate against Chinese businessmen in Indo-China. Principal complaints are poll tax, other discriminatory taxes, discrimination in amounts of money allowed to be exported, import difficulties and allegedly unfair distribution of rationed goods. French indicate willingness to consider adjusting these points.

[LONDON]

CONFIDENTIAL

851G.00/2-646: Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

SECRET

PARIS, February 6, 1946—9 p. m.  
[Received February 7—12:45 a. m.]

595. Dept's 564, February 4. While I have not as yet detailed information on the differences of opinions between D'Argenlieu and Leclerc on French policy toward Indo-China all indications in Paris point to the fact that the French Govt at this time favors a conciliatory and moderate policy. The Foreign Office has been stressing to the Govt the fact that in the light of the evolution of events in the Far East and Southeast Asia, French interests can best be safeguarded by a liberal and progressive colonial policy in Indo-China. The Socialist Party, which at present is in a position to exercise much influence on French governmental policy, is also in favor of such a policy as is the present Socialist Minister of Colonies, Marius Montet. This does not mean, however, that they are thinking in terms of independence for Indo-China for no Frenchmen appear to be thinking in such terms.

While it is, of course, impossible at this time to gaze too far into the future, present evidence would seem to indicate that the present Govt will try to follow a conciliatory and moderate policy in Indo-China and will be more progressive in its outlook than the de Gaulle Govt.<sup>10</sup> As the Dept is aware, in the latter Govt the influence of

<sup>10</sup> Ambassador Caffery reported in telegram 849, February 21, 1946, 3 p. m., that the French Government had decided to give Admiral d'Argenlieu, then on a visit to Paris, "general authority to endeavor to reach a solution with the native elements, meeting them much more than half way". (851G.00-2146)

certain old-line military leaders sometimes had an unfortunate influence on French colonial policy.

CAFFERY

851G.00/2-1646: Telegram

*The Assistant Chief of the Division of Southeast Asian Affairs (Landon) to the Secretary of State*

SECRET

PRIORITY

HANOI, February 16, 1946.  
[Received February 20—10:34 a. m.]

2. From Landon for Moffat and Culbertson: "Chinese informally

<sup>11</sup> Paul T. Culbertson, Chief, Division of Western European Affairs.

state that French are negotiating two instrument[s] at Chungking:

1. An agreement in regard to Chinese troops in Indochina.
2. A treaty of commerce: That the agreement touches on:

a. The amount to be paid the Chinese by the French to cover troop expenses in Indochina.

b. Help to be given French troops by Chinese to reestablish themselves in Tonkin.

c. Time and method of withdrawal of Chinese troops. It is believed that French want Chinese to withdraw *in toto* at once and to coordinate their withdrawal with French entry while Chinese want to withdraw piecemeal over an extended period. In this connection 93rd Army began withdrawing on 15 February when 18th Division started marching toward Nanking; that about every 10 days another division will begin march until all of 93rd Army exits. Ho Chi Minh

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beginning exit and about 5,000 French troops from China now at Laichau near Laokay railroad to Hanoi. He stated that although French troops supposed headed for Laos nothing to prevent their entraining any day for Hanoi for *coup d'état*. Ho Chi Minh did not seem to fear French troops at Laichau. Other Annamese express belief Annamese capable of disarming Chinese troops in Tonkin. It seems certain that Annamese plan desperate resistance to French. Ho Chi Minh stated that he considering petitioning all United Nations to mediate Annamese independence and prevent extensive bloodshed. In this connection Chinese state that heavy loss of lives seems inevitable and that they would like to refer Indochina situation to UNO but cannot do so because of Chinese position in regard to Manchuria. The alleged Sino-French treaty of commerce said by Chinese to be stalled over question of status of Chinese in Indochina. Chinese require most favored nation treatment for Chinese nationalists on Chinese basis of citizenship namely *ius-sanguinis*. This treaty of commerce supposed to include concessions by French to Chinese of:

1. Free access to port of Hanoi.
2. Joint control of Haiphong-Yunnan railroad.
3. Joint share of profits on China end of line.
4. Duty free transit of goods consigned to China.

These concessions based on Chinese claim of heavy losses due to French permission to Annamese to use Tonkin as base attack China. French Major Sainteny optimistic over quick agreement with China although Claret's return delayed indefinitely. Sainteny intimated that although not formally stated [stated?] the treaty of commerce will be contingent on Chinese troops' assistance and coordination.

[LONDON]

CONFIDENTIAL

*The Assistant Chief of the Division of Southeast Asian Affairs  
(London) to the Secretary of State*

SECRET

HANOI, undated.

[Received February 27—11:45 a. m.]

From London for Moffat and Culbertson.

1. Sainteny stated that in conversation with Ho Chi Minh he offered Annamese complete independence within French community: That this meant that Annamese would have benefit of French advisers in every department of Government: That for instance Annamese Foreign Office would express its policies through French channels: That Annamese Army and War Ministry would be coordinated with French Army and War Ministry: And that Annamese if [in?] Finance and Commerce Ministries would heed French advisers as Annamese were inexperienced in these matters and might jeopardize [apparent garble] French investment. Sainteny said that Annamese in Cochin China would probably prefer to remain French Colony rather come under northern Annamese Government. In this connection Ho Chi Minh said that French officials had conferred with him but that they were vague in their comments and had avoided the real issues of Annamese independence so that he had asked them to get specific terms from Paris which would make clear whether the French really offered Annamese independence or were merely using new language to describe usual French control Annamese affairs.

2. Ho Chi Minh handed me two letters addressed to President of USA, China, Russia, and Britain, identical copies of which were stated to have been forwarded to other governments named. In two letters Ho Chi Minh requests USA as one of United Nations to support idea of Annamese independence according to Philippines example, to examine the case of the Annamese, and to take steps necessary to maintenance of world peace which is being endangered by French efforts to reconquer Indochina. He asserts that Annamese will fight until United Nations interfere in support of Annamese independence. The petition addressed to major United Nations contains:

a. Review of French relations with Japanese where French Indochina allegedly aided Japs:

b. Statement of establishment on 2 September 1945 of [Provisional Government of?] Democratic Republic of Viet Minh:

c. Summary of French conquest of Cochin China begun 23 Sept 1945 and still incomplete:

d. Outline of accomplishments of Annamese Government in Tonkin including popular elections, abolition of undesirable taxes, expansion of education and resumption as far as possible of normal economic activities:

e. Request to four powers: (1) To intervene and stop the war in Indochina in order to mediate fair settlement and (2) to bring the Indochinese issue before the United Nations Organization. The petition ends with statement that Annamese ask for full independence in fact and that in interim while awaiting UNO decision the Annamese will continue to fight the reestablishment of French imperialism. Letters and petition will be transmitted to Department soonest.

[LONDON]

*The Counselor of Embassy in China (Smyth) to the Secretary of State*

SECRET  
US URGENT

CHUNGKING, February 28, 1946—5 p. m.  
[Received 11:12 p. m.]

394. Embassy's 280, February 13.<sup>21</sup> This afternoon Dr. Wang

<sup>21</sup> Not printed, but see telegram of February 19 to Saigon, p. —.

Shih-chieh, Minister for Foreign Affairs, called me to Foreign Office and said that Sino-French treaty on Indochina would be signed at 4 p. m. today. He said main points in treaty were as given to me by Vice Minister Liu Chieh on February 12.

Dr. Wang said that Chinese forces would hand over control of their area in Indochina at end of March. Chinese troops would withdraw from Indochina at end of March. Chinese troops would withdraw from Indochina during March, by sea and land, but due to difficulties of shipping and of withdrawal by land, Chinese forces would probably not be able to complete withdrawal until a short time after end of March, not later, he felt sure, than April 15.

He said that Chinese Government had informally but emphatically urged French authorities to reach a "bloodless" agreement with the Indochinese: he expressed opinion that present French Government is less intransigent than that of de Gaulle. He said that Chinese in Indochina had also urged the Indochinese to reach a "bloodless" agreement with French.

Dr. Wang said that the Chinese Government would be willing to mediate between French and Indochinese, if requested by both sides. He then asked me to ascertain the views of the Secretary of State regarding the possibility of joint Chinese-American mediation, if requested by both French and Indochinese. He referred to the great interest which the late President Roosevelt had shown in dependent peoples, remarking that due to opposition from certain countries, the President had been unable to establish trusteeship principle for colonies of European powers. He indicated that, if US Government should agree to joint mediation, the matter of requesting such mediation could be "suggested" to the French and Indochinese. Dr. Wang commented that, as result of Chinese actions during recent months, he felt that French were convinced of Chinese good faith.

Dr. Wang expressed opinion that, if joint Chinese-American mediation is agreed upon, it should be undertaken during the coming month. He said that he would appreciate very much receiving the views of the Secretary of State as soon as possible.

SMYTH

*The Consul at Saigon (Reed) to the Secretary of State*

RESTRICTED

SAIGON, March 7, 1946—7 p. m.  
[Received March 7—1:35 p. m.]

20. Spokesman for the Government in Indochina announced signing of agreement yesterday at Hanoi whereby Vietnam becomes a free state within the Indochina federation and will have own army, direct own internal affairs and finance. Further negotiations on other points such as foreign affairs, French economic interests, et cetera, to be held shortly. Referendum to be held in Tonkin, Annam and Cochin China to determine form of government desired and they may be separate or may unite. Full text of agreement will be forwarded.<sup>25</sup>

<sup>25</sup> Telegram 21, March 8, 1946, not printed. Despatch 4644, March 8, from Paris, enclosed copy of text as translated from the Paris *Figaro*, of the preliminary convention signed at Hanoi, March 6, at 5 p. m.; neither printed.

Spokesman concluded that many concessions on both sides, Annamites are frankly pleased and French military occupation now proceeding smoothly.

REED

SECRET

SAIGON, March 14, 1946—5 p. m.  
[Received March 16—9:24 a. m.]

33. Information from north indicates Chinese putting many obstacles in way of French, and Saigon press queries Chinese intentions. Clarac reviewed worsening situation in detail, mentioning unexpected last minute refusal Chinese General Staff to sign agreement for relief Chinese by French (to begin before March 15, to end before March 31) because needed approval Combined Chiefs of Staff. This has been [apparent garble] but Clarac not clear if they have acted, also adding MacArthur<sup>26</sup> had said it was not his business which Clarac found

<sup>26</sup> General of the Army Douglas MacArthur, Supreme Commander for the Allied Forces, Japan.

astonishing in view of Mountbatten's<sup>27</sup> approval of relief British by

<sup>27</sup> Adm. Lord Louis Mountbatten, Supreme Allied Commander, Southeast Asia, French south of 16th [parallel]. He is worried as Chinese digging trenches Haiphong and encircling citadel, Hanoi fears serious clash but hopes Lu Han's arrival yesterday may ease tension, also Lu may have authority to implement relief agreement.<sup>28</sup> Clarac's information

<sup>28</sup> Telegram 35, March 15, 1946, 10 p. m., from Saigon, reported that the Sino-French military agreement was signed at Chungking on March 14, thereby implementing the earlier agreement for relief of Chinese by French forces (751-93/3-1546).

From China shows growing Chinese sentiment against Vietminh-French agreement probably based on Chinese [fear of?] Communist state south of China and also [due?] to failure Chinese sponsored party to have bigger role in Vietminh. Increasing number incidents Saigon and elsewhere but on whole Annamites willing to work out agreement as planned and general belief if Chinese had not changed attitude things would have gone well.

REED



851G.00/4-146: Telegram

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, April 1, 1946—10 a. m.  
[Received April 2—10:30 p. m.]

70. Assassination Dr. Phat, member Cochin China Council, on March 29 by known Vietminh extremists and threats to kill members opposed to Cochin China joining Vietnam has not helped Vietnam cause. Increasing extremist activities Saigon and Cochin China also bad effect and moderate Cochin Chinese not particularly pro-French comment Vietminh trying to force joining Vietnam whether Cochin Chinese desires or not. On other hand French seizure of Treasury Hanoi precipitating general strike and incidents in Tonkin have not helped French cause and inspires little confidence that they will keep faith. One might hope that both sides take no steps during period of negotiation which might jeopardize final peaceable outcome but every likelihood stormy period ahead, particularly so far as concerns mature status Cochin China.

REED:

851G.00/4-546

*The Secretary of State to the French Ambassador (Bonnet)<sup>29</sup>*

<sup>29</sup>This note was reported by the Department in telegram 1635, April 12, 1946, 5 p. m., to Paris and repeated to Chungking and Saigon.

The Secretary of State presents his compliments to His Excellency the French Ambassador and has the honor to refer to the Ambassador's note no. 167 of March 7, 1946,<sup>30</sup> enclosing a copy of the Franco-

<sup>30</sup>Not printed.

Chinese Agreement with regard to the relief of Chinese forces in northern Indo-China by French forces and requesting the approval of the Combined Chiefs of Staff thereto.

The Secretary of State is pleased to inform the Ambassador that the Combined Chiefs of Staff have no objection to the relief of Chinese troops in northern French Indo-China by French forces, since they consider that such arrangements are a matter for determination by the Governments of France and China.

Since the Franco-Chinese agreement completes the reversion of all Indo-China to French control, the Combined Chiefs of Staff consider that the French military commander in Indo-China should act as a medium for the French Government for coordination with the Supreme Commander for the Allied Powers on matters relating to the repatriation of Japanese from Indo-China, and that the Chinese Supreme Commander<sup>31</sup> and Admiral Mountbatten should be relieved of

<sup>31</sup>Generalissimo Chiang Kai-shek.

their duties and responsibilities for disarmament and evacuation of Japanese in Indo-China.

Current repatriation schedules envisage the completion of the evacuation of the Japanese from northern Indo-China by April 15. The Combined Chiefs of Staff consider that it is most desirable to have the French commander in Indo-China conform to present schedules.

Accordingly, Admiral Mountbatten has been directed to make the necessary arrangements with the French military commander in Indo-China regarding the transfer of his share of the above-mentioned responsibility at the earliest possible date.

The Supreme Commander for the Allied Powers and the appropriate Chinese authorities have been informed of the Combined Chiefs of Staff action on this matter.

It is understood that a memorandum has been addressed directly to the French Military Attaché to the United States informing him of the above and requesting that appropriate instructions be issued to the French military commander in Indo-China.

WASHINGTON, April 10, 1946.

8516.00/4-1846: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*<sup>32</sup>

<sup>32</sup> This telegram was summarized in a Department circular telegram of April 19, 1946, noon, to Bangkok, Batavia, Chungking, Manila, and Paris.

CONFIDENTIAL  
PRIORITY

HANOI, April 18, 1946—8 a. m.  
[Received April 18—8 a. m.]

2. Despite many questions which are still in fluid state, conditions in Hanoi are surprisingly quiet. French Annamite and Chinese troops are in city in varying force but with comparatively little friction.

French troops under General Valluy, composed of elements of Second Armoured and Ninth Colonial Infantry Divisions, are making strenuous efforts to avoid antagonizing Chinese.

Fifty-third Army with scattered services are only Chinese troops which remain in vicinity of Hanoi. Date of their withdrawal is unknown here.

Repatriation of Japanese soldiers and civilians north of 16th parallel has been taking place during past 2 weeks. Approximately 30 of 35,000 have been shipped. Remainder are scheduled to leave in near future.

French appear to be exercising no civilian functions here. Vietnam is *de facto* government of Hanoi, running police and administrative services. There are indications that no effective central authority exists outside of city areas although natives are said to be bitterly anti-French. Passage of recent French convoy from Haiphong to Hanoi, for example, was resisted by barricades (but apparently not by rifle fire) in villages along route.

Negotiations now opening between French and Vietnam at Dalat (Dalat is hill station in Cochin China) to implement preliminary agreement to March 6<sup>th</sup>. Most important immediate question appears to be status of Cochin China.

Food situation generally better than last year. Reports indicate there should be no famine in northern FIC in near future.

O'SULLIVAN

851G.01/4-1846: Circular telegram

*The Secretary of State to Certain Diplomatic and Consular Officers*<sup>33</sup>

<sup>33</sup> At Bangkok, Batavia, Chungking, London, Manila, Paris, and The Hague.  
SECRET WASHINGTON, April 18, 1946—1 p. m.

Vietnam Republic's President Ho Chi Minh requested US, UK and other recognitions approximating French recognition as free state within French Union. UK informally replied unable recognize because negotiations re Vietnam actual status continuing.

BYRNES

851G.00/4-2746: Telegram

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, April 27, 1946—11 a. m.  
[Received April 29—2: 15 a. m.]

122. Mytel 121, April 27, 10 a. m.<sup>35</sup> Returned yesterday from Hanoi

<sup>35</sup> Not printed: for summary, see circular telegram of April 30, 11 a. m., *infra*, where situation tense. Called on all high French, Chinese, Vietnam officials. He [*Ho?*] dwelt largely on Cochin China issue, first, must join Vietnam, second, French must cease entering Cochin China; he also mentioned need for complete financial independence, own bank and own bank note issue. He was highly indignant action of French in arresting and dispelling [*expelling*] from Dalat Dr. Thach, Cochin Chinese delegate to Dalat conference. He expressed hope for future if French lived up to their agreements which he rather doubted but added that outside help, chiefly capital and technical aid, must be supplied.

Pessimistic views held by all French regarding success of Dalat conference which is now suspended for a few days while Vietnam demands regarding Cochin (cease hostilities, release political internees, Armistice Commission and political freedom) and French counter-offer regarding all Indochina (establish special committee to investigate Vietnam-French incidents) are being studied and that French have now adopted thesis conference merely preliminary and Paris approval must be obtained which is contrary previous understanding. French defend arrest, expelling Dr. Thach on grounds that he is notorious anti-French Cochin Chinese and that Cochin China not yet part of Vietnam.

French insistence withdrawal Chinese from north and all-over procrastination to Dalat may have ulterior motives as it is not impossible French military coup may be brought off as soon as Chinese gone. Some French civilians have spoken of this "as putting Vietnamese in their place". In any event over-all picture is not happy one and much compromise, good faith and tolerance needed to effect peaceful settlement.

REED

851G.00/5-146: Circular telegram

*The Acting Secretary of State to Certain Diplomatic and Consular Officers*<sup>39</sup>

<sup>39</sup> At Bangkok, Batavia, London, Nanking, Paris, Singapore, and The Hague.  
CONFIDENTIAL WASHINGTON, May 1, 1946—7 p. m.

French Vietnam conference Dalat temporarily suspended for study conflicting views re Cochinchina. Vietnam officials hope for future clouded by doubts French will abide by their agreements. French pessimistic re outcome. Vietnam demands cessation hostilities Cochinchina, release political internees, establishment armistice commission and political freedom Cochinchina. French counter-offer special committee study French-Vietnam incidents throughout Indochina. French now hold Dalat conference merely preliminary and results must have Paris approval.

Consul Saigon observes<sup>40</sup> French maneuvers propaganda to force

<sup>40</sup> Telegram 130 April 30, 1946, 3 p. m., not printed. In it, Consul Reed mentioned that Ho Chi Minh had stressed to him at Hanoi "utmost necessity of interesting American capital and employing American technicians in Vietnam." (851G.00/4-3046)

withdrawal Chinese troops Tonkin and delaying tactics Dalat conference compatible with possibility French planning military coup when Chinese withdraw.

ACHESON

851G.00/5-1346: Circular telegram

*The Acting Secretary of State to Certain Diplomatic and Consular Officers*<sup>42</sup>

<sup>42</sup> At Nanking and Saigon.  
SECRET WASHINGTON, May 13, 1946—1 p. m.

French ForOff official confident ultimate success negotiations with Vietnam which may be prolonged.<sup>43</sup> Vietnam deleg France impressed

<sup>43</sup> Telegram 2243, May 9, 1946, 2 p. m., from Paris, not printed, him favorably but he remarked recent developments Indochina China disturbing since believed Chinese commanders Indochina openly defying undermining Chiang Kai-shek's sincere efforts evacuate Indochina. Chinese official Paris stated<sup>44</sup> that Vietnam deleg composed five Com-

<sup>44</sup> Telegram 2279, May 10, 1946, 4 p. m., from Paris, not printed, munists, four non-Communists, one Kuomintang, but Communists Vietnam better organized than non-Communists and supported by French Communists, that Chinese troops would evacuate, that Chinese Govt would be neutral, would not be intermediary for Annamese seeking US support. Consul Hanoi observes<sup>45</sup> Chinese appear try-

<sup>45</sup> Telegram 10, May 6, 1946, 8 a. m., not printed, ing undermine Viet Minh party and leadership hoping leave Chinese-dominated Dong Minh Hoy party in power.

ACHESON

851G.00/5-1446: Circular telegram

*The Acting Secretary of State to Certain Diplomatic and Consular  
Officers*<sup>46</sup>

<sup>46</sup> At Bangkok, London, Moscow, Nanking, Moscow, Paris, and Saigon.

CONFIDENTIAL

WASHINGTON, May 14, 1946—11 a. m.

Vietnam Republic's President believes satisfactory agreement can be reached with French, expressed confidence their good faith in Hanoi Paris but disturbed by French actions Saigon.

-ACHESON

851G.00 '5-946: Telegram

*The Acting Secretary of State to General of the Army George C.  
Marshall, at Nanking*

SECRET

WASHINGTON, May 15, 1946—6 p. m.

133. For General Marshall. Dept concerned by reports received from both French and US sources indicating serious effects of continued presence 53rd Chinese Army and independent units northern Indochina despite agreement to withdraw all troops by Mar 31 or Apr 15 at latest.

Consul Hanoi (Reinfotel May 14) reports danger that actions local Chinese military Tonkin will embitter Franco-Chinese relations (See Paris Embtel 6 to Chungking May 9<sup>47</sup>) as well as obstruct recent

<sup>47</sup> Telegram 2243 to Department, May 9, 1946, 2 p. m., from Paris, not printed, but see circular telegram of May 13, 1 p. m., p. —.

progress Franco-Viet Nam relations. Also that Viet Nam President hinted his tasks easier when Chinese leave. Hanoi believes that few problems facing French and Annamese can be handled until Chinese evacuated.

French Emb Wash May 9 verbally emphasized importance French Govt attaches to prompt Chinese evacuation to avoid further incidents, and referred possibility evacuation 53rd Army by ship.

Dept believes everything possible should be done urgently speed evacuation Chinese troops. Request your views as to what action, if any, might be taken US Govt to assist in solution this problem, and your recommendations thereon.

ACHESON

851G.00/5-2046: Circular telegram

*The Secretary of State to Certain Diplomatic Officers*<sup>48</sup>

<sup>48</sup> At Nanking and The Hague. This telegram was based on telegrams 160, May 14, 1946, 3 p. m., and 163, May 15, from Saigon, neither printed.

CONFIDENTIAL

WASHINGTON, May 20, 1946—8 a. m.

D'Argenlieu to meet President Vietnam soon prior departure French, Vietnam delegs Paris for final negotiations re governmental structure Indochina and Vietnam's status therein. French propose federal organization under High Commissioner who exercise French Union's powers and with Assembly initiate federal legislation. Assembly composed 10 French members, 10 members each from Tonkin, Annam, Cochinchina, Laos, Cambodia. Each state form own govt, elect Parliament, vote own constitution, recruit defense army, fix budget, organize administration, enact internal laws. Vietnam counter-proposal would limit federal powers to customs policy currency and supplies coordination, would place relations between Vietnam and federation on status international relations with High Commissioner as ambassador to federation's member states.

BYRNES

125.785/5-2046: Telegram

*The Secretary of State to the Ambassador in France (Caffery)*

RESTRICTED

WASHINGTON, May 20, 1946—5 p. m.

2427. Consulate Saigon raised to Consulate General effective immediately. Inform French Government.

BYRNES

851G.00/5-2046: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

HANOI, May 20, 1946—6 p. m.

[Received May 23—11:30 p. m.]

20. Please pass to General Marshall for information.

## CONFIDENTIAL

There are three important political parties in Viet Nam.

They are Viet Minh League, composed of former Indo-Chinese Communist Party (PCI dissolved itself November 30, 1945) and Democratic Party, son [*sic*] Vietnam Cach Menh Dong Minh Hoi, generally referred to as Dong Minh Hoi or DMH; and Vietnam Quoc Dan Dang.

There are in addition several splinter parties which seem to serve chiefly as vehicles for organized banditry.

Both Dong Minh Hoi and Quoc Dan Dang seem have support of Chinese. Most active part of Viet Minh is factor composed of former PCI members.

Viet Minh strength seems to be spread throughout northern Indo-China. Dong Minh Hoi and Quoc Dan Dang control territory in Moncay, Langson, Vinh Yen area.<sup>49</sup>

<sup>49</sup> Vice Consul O'Sullivan, in telegram 69, July 26, 1946, 4 p. m., from Hanoi, reported the steady elimination of all organized opposition to the Viet Minh League. The Dong Minh Hoi and Quoc Dan Dang had lost influence with the departure of the 52nd Chinese Army from Tonkin. (851G.00/7-2646)

As yet no Catholic party has appeared nor do Catholics appear to be committed to support of any one party. Viet Minh League has been making tentative moves to capture Catholic support but is said to be too radical to obtain full cooperation from church. In view of fact church claims million members in Tonking and Annam (large percentage believed to be "rice Christians"), it seems probable that Catholics as group will [not?] remain long absent from politics.

Sent Department, repeated Nanking; Saigon informed airmail.

O'SULLIVAN

have been ordered to evacuate by land and to reach Chinese territory before 10 June or, weather permitting, before the end of May. Remaining division is now at Haiphong awaiting transportation to Japan. At request of Foreign Office SCAP has been informed of foregoing.

SMYTH

851G.00/6-546: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

CONFIDENTIAL

HANOI, June 5, 1946—5 p. m.  
[Received June 6—7:52 a. m.]

36. Hi Chi Minh probably will call at AmEmbassy shortly. He has constantly given me impression he would pay great attention to any suggestions made by Dept.

O'SULLIVAN

851G.00/6-546: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

HANOI, June 5, 1946—8 p. m.  
[Received June 6—10:45 a. m.]

37. There is growing conviction in Viet Nam circles that principal point involved in Paris negotiations will be future status of Cochin China and how it will be determined.

Viet Namese generally agree that without Cochin China any independence will be largely theoretical.

Viet Nam position regarding referendum appears to have undergone extensive changes. Ho Chi Minh when he signed convention of March 6th was convinced that in any "fair" referendum Cochin China would not [vote?] to attach itself to Viet Nam.

However, Dalat Conference delegation apparently returned to Hanoi with realization that Viet Nam strength in Cochin China was diminishing. This they attribute to French propaganda and absence of freedom for their own agents.

Realization of diminishing Viet Nam strength in Cochin China is probably principal reason why Ho accompanied delegation to Paris. He hopes to reach satisfactory solution on this all-important question on basis of numerous friendships which he has with Left Wing French circles.



CONFIDENTIAL

French here give impression they would not object to referendum in Cochin China. However, they indicate they would not care to allow complete freedom for Viet Nam agents there. Their objection is that such agents would resort to terrorism to influence vote. (There seems to be certain amount of justification for French contention. Viet Nam police have been treating pro-French Viet Nameese and Metis with French nationality rather severely in Tonkin.)

Outcome of any referendum would probably be largely determined by conditions under which it would be held. French feel Cochin China would vote 80% for autonomy. Viet Nam claim Cochin China would vote 80% for incorporation with Viet Nam. Both claim[s] have an unspoken promise [*premise?*] that claimant could establish conditions of referendum. Neutral observers here feel vote in referendum free of undue influence from either side would be close.

Sent Dept as 37, June 5, 8 p. m.; repeated Nanking, Saigon informed airmail.

O'SULLIVAN

851G.00/7-746: Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

RESTRICTED

PARIS, July 7, 1946—1 p. m.  
[Received July 7—12:39 p. m.]

3323. Opening of Franco-Viet Nam conference at Fontainebleau yesterday brought to an apparent end pre-conference honeymoon period during which French and Indochinese officials had rivaled with each other in displays of Franco-Viet Nam friendship.

After long wait for Admiral Thierry d'Argenlieu supposed to preside over conference, unexpected announcement that "Admiral was indisposed" created uneasiness and rumors to effect Viet Nam delegates had vetoed presidency of Thierry d'Argenlieu who, in their eyes, "typified French imperialism".

Max André, head of French delegation, assuming Presidency at last moment, delivered innocuous speech of welcome and declared conference open. Mr. Phan Van Dong, head of Viet Nam delegation, immediately protested against this unilateral assumption of the chair of the direction of the proceedings. In a fighting speech which contrasted sharply with platitudes of André's address, he went immediately to the core of the worst difficulties which the conference will have to face. In sharp words, he protested against "the mutilation of the Viet Nam Motherland" through the creation of an independent state of Cochin China outside of the Viet Nam. He went on to accuse the French authorities in Indochina of having violated the accords of Dalat of March 6, 1946 and of having used these accords to penetrate peacefully in the north while military operations were being carried on in the south and in the interior.

This unexpected offensive of the Viet Nam delegation on the first day has created a sensation. Independent and impartial *Combat*, genuinely interested in colonial problems, headlines Viet Nam accusation across the entire first page and recognizes French mistakes made in Indochina. Communist *Humanite* frankly sides with Viet Nam. Socialists *Populaire* gives fair and impartial account in a vein sympathetic to Viet Nam. MRP. *Aube* regrets "that French goodwill did not find a corresponding echo". In the conservative and Nationalist papers there is literally an explosion of wrath against Viet Nam delegation. Increasingly Leftist but always ultra-Nationalist *Ordre* terms Phan Van Dong's statements "shocking" and already blames Viet Nam for any future breakdown in negotiations. All these papers play up violations of Dalat agreement by the Viet Nam and underline assassinations, kidnapping and rape of Europeans as justification of continued military operations by French expeditionary corps.

On the whole conference had gotten off to bad start. Viet Nam leaders also express their regret that conference "of such considerable importance" should be held outside of Paris.

Interesting to note that yesterday afternoon conversation held between Ho Chi Minh, Viet Nam President, and Algerian deputies of friends of manifest group headed by Ferhat Abbas (my despatch 5571 of July 3<sup>54</sup>) on similarity between problems facing Algeria and

<sup>54</sup> Not printed; it reported an interview with the Algerian autonomist leader, Ferhat-Abbas. A delegation of eleven Algerian deputies, comprising the pro-independence group, "democratic union in favor of the Algerian Manifest", was in Paris. (851R.00/7-346)

Viet Nam.

Sent Dept as 3323, repeated London as 509.

851G.00/S-246: Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

CONFIDENTIAL

PARIS, August 2, 1946—6 p. m.  
[Received 8:16 p. m.]

3801. Viet Nam delegation at Fontainebleau conference yesterday broke off negotiations on ground that French have violated March 6 accord by convoking new conference at Dalat. Head of delegation alleged that French intend to use new Dalat conference (to which Viet Nam was not invited) to engineer their own statute for Indo-Chinese federation and to fix future of Cochin China and other areas claimed by Viet Nam. He added that Fontainebleau conference is not terminated but only suspended until French clear up this "equivocal" situation. Delegation will remain at Fontainebleau for time being and is prepared to maintain contact with French delegates on unofficial basis.

This decision has been received by press as a kind of bomb shell although reports had been current that conference was entering a critical stage and that he [Ho], Chi Minh, would depart soon for Indo-China. Press reaction has followed expected lines with left-wing organs justifying decision while right-wing and radical papers accuse Viet Nam of blackmail and insist that France has perfect right to consult other peoples of Indochina in parallel Dalat conference.

Radical *Aurore* demands that France shall not "abdicate" in Indochina and adopts *Epoque* line in charging that "other imperialisms" are utilizing Viet Nam for own purposes.

*Monde* insists that France is playing role of impartial arbiter and must not retreat before ultimatum. *Monde* also takes off gloves with respect to Ho Chi Minh, recalling that he was friend of Doriot and that in 1945 he publicly expressed determination to "break off all relations with French people".

CONFIDENTIAL

Among defenders of Viet Nam Communist *Humanité* is most outspoken. Independent's *Combat* continues to stress "the flagrant dissonance" between French statements in Paris and French policy in Indochina which has recently amounted to a "provocation". *Combat* expects serious repercussions in Indochina.

Caught in the middle, both Socialists and MRP are embarrassed and worried. *Populaire* blames Admiral d'Argenlieu for unjustifiable policy which must be repudiated by French Government. *L'Aube*, on other hand, takes aggrieved [stand?] and insists Dalat conference is entirely proper under March 6 accord.

Baudet, one of Foreign Office delegates at Fontainebleau, admits situation is serious but believes conference will resume in a week or 10 days. He insists new Dalat conference is only exploratory and consultative. Baudet once again indicated French officials are not particularly anxious to speed up work of Fontainebleau conference and are quite willing for relations with Viet Nam to continue under present agreement until the pacification of Indochina and particularly Cochin China is completed. He added that security situation in Cochin China is more serious than French public is aware.

Sent Dept as 3801; Dept please repeat to Saigon; repeated London as 578.

CAFFERY

851G.00/S-946

*Memorandum by the Chief of the Division of Southeast Asian Affairs  
(Moffat) to the Director of the Office of Far Eastern Affairs  
(Vincent)*

[WASHINGTON.] August 9, 1946.

Recent developments indicate that the French are moving to regain a large measure of their control of Indochina in violation of the spirit of the March 6 convention. The evidence, as set forth below, suggests that the French are attempting to gain their objective by manoeuvres designed to confine and weaken Viet Nam. In the event that Viet Nam decides to resist these encroachments, which is by no means unlikely, widespread hostilities may result.

The chief opposition to the reestablishment of French rule in Indochina has all along come from the Annamese, who inhabit the three east coastal provinces of Tonkin, Annam, and Cochinchina, which once comprised the Kingdom of Annam. The populations of the other two countries of Indochina—Cambodia and Laos—are not in a high state of political development or in any condition seriously to resist French control. A *modus vivendi* between the French and the Annamese was achieved in the preliminary convention of March 6, 1946, by which the Annamese "Republic of Viet Nam" was recognized as a free state within the Indochinese Federation and the Viet Nam Government declared its readiness to receive the French Army. The convention left for future settlement two crucial problems: the status of Viet Nam in its external relations, and the geographical extent of Viet Nam. On the former point, the provisional agreement stated that "each contracting party will take all necessary measures . . ."<sup>55</sup>

<sup>55</sup> Omission indicated in the original.

to create the favorable atmosphere necessary for an immediate opening of amicable and free negotiations. These negotiations will bear particularly upon diplomatic relations between the Viet Nam and foreign states, the future status of Indochina, French economic and cultural interests in Viet Nam." On the latter point the agreement stated that "with respect to the bringing together of the three (provinces), the French Government pledges itself to ratify the decisions taken by the populations consulted by referendum." The crux of the present situation lies in the apparent intention of the French to settle both matters to their own advantage and without reference to Viet Nam.

The hostility of the Annamese toward the French began to mount to its present intensity when the French on June 1 announced the inauguration of the Provisional Government of the Republic of Cochinchina. Annamese leaders had long emphasized their view that the inclusion of Cochinchina in Viet Nam was a matter of life and death to their country. Cochinchina, it may be mentioned, contains the important mercantile cities of Saigon and Cholon, includes the mouths of the Mekong, and is the richest province in Indochina. Called the Southern Province by the Viet Nameese, it is racially indistinct from Tonkin and Annam. Statements by the French that the referendum in Cochinchina (as pledged in the March 6 convention) would still be held failed to reassure Viet Nam leaders, who pointed out that such a referendum could not possibly be fair owing to the suppression by the French of pro-Viet Nam political parties and of all anti-French opinion. SEA's information tends to substantiate this point of view.

Tension between the French and the Annamese reached its present pitch when the French on August 1 convened a conference at Dalat (in southern Annam) to which the Royal Governments of Cambodia and Laos, the Government of the autonomous Republic of Cochinchina, and the native peoples of southern Annam and high plateau of Indochina (but *not* Viet Nam, recognized by the French as part of the Indochina Federation and French Union) to send delegates to "study the framework of the French Union". Subsequently published agenda of the conference indicated that the salient aspects of the Indochina Federation would also be deliberated. As an immediate result of this conference, the Viet Nam delegation which had been discussing the future relation between France and Viet Nam with the representatives of the French at Fontainebleau since July 6 announced that they were suspending negotiations until the French should have cleared up the "equivocal" situation which had been created. The head of the Viet Nam delegation, who had opened the conference with a violent blast against French policies, charged that the French were now trying to engineer their own statute for the Indochinese Federation and their own settlement of the status of Cochinchina and other areas claimed by Viet Nam. The view of Consul Saigon is not very different. He gave as his opinion that a front against Viet Nam was in the making, that the states participating in the Dalat Conference were at least tacitly recognized as free states by the French, and that France and these free states are now determining the status of the Indochinese federation without reference to Viet Nam. In his view it indicated double-dealing on the part of the French, and he reported that the French Commissioner for Cochinchina had forced the issue by threatening to resign unless his policy is carried out. Nothing has been said at the conference about a referendum. Finally, Consul Saigon added that he had learned that representatives of the southern regions of the Province of Annam (which has always been claimed by Viet Nam) will petition for inclusion of their territories in Cochinchina. In view of the completeness of the agenda of the Dalat Conference, which covers the essential framework of the Indochinese federation, and in view of the deliberate exclusion of Viet Nam from the conference, the conclusion is inescapable that the French are endeavoring to whittle down Viet Nam and to settle the future form of organization of Indochina with those who may be expected to be amenable to French influence.

CONFIDENTIAL

Annamese reaction to French moves has been sharp, and following the suspension of the Fontainebleau negotiations, there were pro-Viet Nam manifestations in Saigon. The ambush of a French supply column near Hanoi by Annamese soldiers, during which the French suffered 52 casualties (one of the worst of many incidents during the past several months), may have been related to the opening of the Dalat Conference.

While it is to be doubted that the French will allow the Fontainebleau Conference to break down completely, Embassy Paris quotes Baudet as having stated that French officials are in no hurry to speed up negotiations until the pacification of Indochina, and particularly of Cochinchina, has been completed. In this connection, Consul Saigon reports that more troops are arriving in Indochina and that the French military position has grown much stronger. Meanwhile, the Saigon press has been carrying vitriolic attacks against Viet Nam. Since this press is completely controlled by the French, there would appear to be no official objection to this line.

In his latest report, Consul Hanoi states that there now exists an imminent danger of an open break between the French and Viet Nam. He adds that a rupture of relations would probably be followed by a period of anarchy and that, although the French could quickly overrun the country, they could not—as they themselves admit—pacify it except through a long and bitter military operation.

In conclusion, it is SEA's view that the Annamese are faced with the choice of a costly submission to the French or of open resistance, and that the French may be preparing to resort to force in order to secure their position throughout Indochina. It may not be advisable for this Government to take official notice of this situation during the Peace Conference,<sup>55</sup> but the Department should be prepared, SEA

<sup>55</sup> For documentation on the conference, held between July 29 and October 15, see vol. —, pp. — ff.

believes, to express to the French, in view of our interest in peace and orderly development of dependent peoples, our hope that they will abide by the spirit of the March 6 convention.

A[BBOT] L[ow] M[OFFAT]

851G.00/S-1746: Telegram

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, August 17, 1946—10 a. m.

[Received August 18—2:53 a. m.]

342. At Dalat conference, which closed on 14th, delegations were reasonably unanimous as to desired structure and scope of federation and relationship of member states with federation and each other. Cochin-Chinese delegations vowed [*delegation showed*] more independence of thought than other delegations and followed less slavishly French pattern for Indochina of future. This is part to impress Cochin-Chinese and to help lessen belief present Cochin-Chinese Govt only a puppet, but as previously reported members of this govt sincerely want more freedom of action and less domination by French. While findings and recommendations of conference not binding they appear to be reasonable basis for future, but it is certain Viet Nam will find much fault therewith, as they fall short of the larger degree of independence desired by that state. Growing belief High Commissioner and Commissioner for Cochin-China<sup>57</sup> may go as their policy subjected increasing criticism here and reportedly in France, particularly in calling Dalat conference knowing Viet Nam could object and in creating Cochin-China Govt without reference to referendum. However, they argue no reason why French Viet Nam negotiations should decide future without reference to other states and that necessary atmosphere for referendum is lacking (latter probably true as any referendum under existing conditions might well increase partisan activities). Unquestionably both officials are less liberal in views re native peoples than when first came to French Indochina. Next move will be submission Dalat proposals to French Govt and attempt to reconcile proposals with Fontainebleau agenda. However, regardless soundness many these proposals, difficult foresee any great degree success in above so long as Cochin China stays apart from Viet Nam, which is one point of French policy in French Indochina.

REED

851G.00/S-2946: Telegram

*The Acting Secretary of State to the Consul at Saigon (Reed)*

SECRET

WASHINGTON, September 4, 1946—5 p. m.

240. Action urtel 354 Aug 26 commended.<sup>58</sup> Lose no opportunity

<sup>58</sup> Not printed.

counteract with persons responsible press orientation, and in manner you deem most effective, French colonial tendency picture US as aggressive and imperialistic. This brings certain French colonials, unwittingly for most part, very close to Communist Party line.

With his knowledge US Clarac (reurtel 357 Aug 29) should know better than encourage anti-American suspicions this juncture Franco-American relations, and Dent believes he can be persuaded take and foster attitude required by logic events.

CLAYTON

851G.00/8-746: Telegram

*The Acting Secretary of State to the Consul at Saigon (Reed)*

SECRET

WASHINGTON, September 9, 1946—2 p. m.

241. Intelligence reports of uncertain reliability state USSR (a) anxious see Ho Chi Minh succeed unite three Kys under Viet Nam for possible eventual weapon against National Govt China and (b) has instructed French Communists manoeuvre reliable French Officers to Indochina for training cadres future Viet Nam army. Keep Dept informed indications subservience to Party line by Ho and other leaders, relative strength Communist and non-Communist elements Viet Nam, and contracts with Communists other countries. Inform O'Sullivan. Sent Saigon. Repeated Paris<sup>50</sup> for info.

<sup>50</sup> As telegram 4680.

CLAYTON

851G.00/9-1146

*The Ambassador in France (Caffery) to the Secretary of State*

CONFIDENTIAL

PARIS, September 11, 1946.

No. 6131

[Received September 17.]

SIR: I have the honor to report that at his request I received a visit this morning from M. Ho Chi Minh, "President of the Republic of Viet-Nam", who confirmed the news published in the local press that the Fontainebleau negotiations between the Viet-Nam representatives and the French representatives have practically broken down and the Viet-Nam delegation will be returning to Indochina within the next few days.

The principal point on which they failed to reach agreement concerns Cochin China: the French representatives insist that Cochin China be an "independent" entity in an Indochinese federation, while the Viet-Nam representatives insist that one central government in Indochina must dominate the whole country. He said that he and his party aspired to Viet-Nam "independence" in an "Union Française". He said that they would like to receive some "help" from us, but did not specify what he meant by that. He took occasion to say that he was not a communist.

From the general fuzziness of his remarks, I gathered that he would like us to get into the game and he would be very pleased if he could use us in some way or other in his future negotiations with the French authorities.

I expressed our interest in Indochina and the people of Indochina but made no commitments.

Respectfully yours,

JEFFERSON CAFFERY



*The Consul at Saigon (Reed) to the Secretary of State*

SECRET

SAIGON, September 17, 1946—11 a. m.  
[Received September 18—1:03 a. m.]

374. Both Clarac and Chief of Sûreté have informed me increase[d] Communistic activities in French Indochina are disquieting. Intercepted letters indicate Chinese Communists are entrenched in Chinese centers Saigon and Haiphong and that Annamites chiefly in Tonkin and Annam, but also to certain extent in Cochin China, are receiving much Communist propaganda. They feel Viet Nam leaders not entirely responsible for this apparent trend but point out those leaders have Communist training and leanings. Clarac added that one difficulty in handling Communist problem is impossibility using word "Communist" in regard to this movement as strength of Communist party in France precludes any unfavorable mention. Both believed continuance uncertainty French-Viet Nam relations despite signing provisional agreement<sup>60</sup> will contribute to such activities but stressed

<sup>60</sup> See telegram 4671, *infra*.

Communists are already in French Indochina (no Russians) and close watch over developments must be maintained as agencies outside French Indochina are undoubtedly supplying propaganda.

This telegram 374 to Department, repeated as 2 Nanking. Department please repeat Paris.

REED

851G.00,9-1746: Telegram

*The Ambassador in France (Caffery) to the Secretary of State*

CONFIDENTIAL

PARIS, September 17, 1946—5 p. m.  
[Received September 17—3:24 p. m.]

4671. At final conference with French September 14, Ho Chi Minh signed joint declaration and *modus vivendi* and departed few hours later for Toulon to sail for Saigon. Agreement will be submitted to French Cabinet tomorrow<sup>61</sup> and after expected approval, given to

<sup>61</sup> The French Council of Ministers approved the agreement on September 18; the text was transmitted to Department in despatch 6202, September 20, 1946, from Paris; neither printed.

press on September 19. Following are essential points of agreement summarized from text obtained from Foreign Office.

Joint declaration emphasizes agreement of March 6, 1946, still in effect but *modus vivendi* providing provisional solutions of urgent problems was necessary until permanent and definitive agreement could be reached. Date and procedure for referendum in Cochin China is to be fixed later. It is expected Fontainebleau conference will be resumed in January 1947.

Summaries of numbered paragraphs of *modus vivendi* follow:

1. Reciprocal "democratic" rights for citizens of one country in territory of other.
2. Recognition of reciprocal property rights. French property requisitioned or seized in Viet Nam to be restored.
3. French schools to operate freely in Viet Nam; Pasteur institute to be restored to French.
4. Viet Nam to give France priority when seeking advisors, technicians or experts.
5. Piste tied to French franc to be single currency for Indochina with Banque de l'Indochine as temporary bank of issue.

6. Establishes customs union and free trade within Indochinese federation.

7. Provides for coordination of transport and communications of all types within federation and *Union Française*.

8. Pending agreement on Viet Nam diplomatic relations, Mixed Commission will arrange consular representation with neighboring states.

9. Re Cochin China: (a) all fighting to cease; (b) Mixed Commission of general staffs to control this; (c) all political and military prisoners to be released except those accused of common crimes; (d) democratic liberties reciprocally guaranteed; (e) unfriendly propaganda mutually to cease; (f) collaboration in control of ex-enemy citizens; (g) representative of Viet Nam accredited to High Commissioner will control execution of above provisions.

Signed by Ho Chi Minh and Marius Moutet.

It will be seen that Ho Chi Minh obtained satisfaction on majority of points reported in mytel 4591, September 12.

Boissézon of Foreign Office states French generally satisfied with agreement but would [have] liked to include paragraphs defining more precisely relations of Viet Nam to Indochinese federation and French Union. They were also unsuccessful in having written into agreement provisions for disarmament of resistance elements in Cochin China but Boissézon claims it was orally understood with Ho Chi Minh that such elements would have chance of either retiring to Tonkin with arms and baggage or giving up arms if remaining in Cochin China.

Sent Dept as 4671, repeated London as 690, Dept please relay to Saigon as 2.

CAFFERY

851G.00/10-1946: Telegram

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, October 19, 1946—6 p. m.  
[Received October 22—2:05 p. m.]

411. Meeting High Commissioner and Ho took place yesterday as reported Mytel 409, Oct 18.<sup>62</sup> Few details known but understand

<sup>62</sup> Not printed. In despatch 6, October 22, 1946, from Hanoi, Vice Consul O'Sullivan reported the return there on October 21 of Ho Chi Minh from France by way of Camranh Bay, where he had conferred with Admiral d'Argenlieu on October 18, and added: "Generous gestures on the part of both the French and Vietnamese created an unparalleled atmosphere of public amity and cordiality between the two groups." (851G.001/10-2246)

meeting most amicable with Ho unusually pro-French and even denouncing Vietnam terrorist activities. So much so one recalls earlier rumors Ho has sold out to French. If above true, question poses itself whether Ho can keep unqualified support in north, particularly in view of further reports of Communist character of that state. I still believe French Communists desire soft pedal Communist trends Vietnam for political reasons and will adopt passive attitude until after elections. FIC vote against constitution (mytel 404<sup>63</sup>) is be-

<sup>63</sup> Not printed. It reported that preliminary figures showed an overwhelming majority "voted no" (8333 to 1701) (851G.001/10-1546).

lieved to be vote against left and is possible Fascist reaction against theory independence for native peoples.

REED

851G.00/10-2546: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

SECRET

HANOI, October 25, 1946—11 a. m.  
[Received 9:20 p. m.]

96. In private conversation, Ho Chi Minh told me that effectiveness of *modus vivendi* would depend upon French actions in Cochin-China.

"If they allow spread of democratic liberties, release political prisoners, and stop attacking my people, things will go well for them in Tonkin. Otherwise the commissions (provided for in *modus vivendi*) will not accomplish much", he said.

He added fighting in south would not stop unless French applied agreement locally.

He stated Vietnamese policy remained unchanged: i.e., Nambo<sup>64</sup>

<sup>64</sup> Southern district, meaning Cochin-China.

must be united to Vietnam. He thought that French had reached conclusion that referendum in Cochin-China would favor unification and they therefore seemed to be seeking to avoid it.

He said he had been promised no economic aid but thought French would provide what they could if and when definite agreement was reached.

In concluding Ho said that if there was any information I required he would see that I obtained it.

O'SULLIVAN

851G.00/11-146: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

SECRET

HANOI, November 1, 1946—8 a.  
[Received November 2—12:30 r

101. ReDeptel 241, September 9, 2 p. m., to Saigon. There apparently is contact between Vietnam and Chinese Communists.

Reports difficult to verify indicate presence in Vietnam of Chinese Communists who are said to be used as advisors in provinces. Numbers are not known but estimates run to hundreds. Traffic apparently is directed by sea from Shanghai to Hong Kong, thence to Haiphong.

However, any reports concerning presence of Chinese Communists in Haiphong itself should be regarded with suspicion. Pirates from South China have combined with Chinese Army deserters to blackmail Chinese congregating there. While calling themselves Communists, they are actually outlaws.

O'SULLIVAN

851G.00/11-2946: Telegram

*The Ambassador in France (Caffery) to the Secretary of State*<sup>65</sup>

<sup>65</sup> Repeated by the Department to Hanoi as No. 15 and to Saigon as No. 299.

SECRET

PARIS, November 29, 1946—3 p. m.

[Received November 29—12:53 p. m.]

5857. The French are very concerned over developments in Indochina. A high Foreign Ministry official said they are particularly worried because they have "positive proof that Ho Chi Minh is in direct contact with Moscow and is receiving advice and instructions from the Soviets."<sup>66</sup>

<sup>66</sup> Consul Reed, in telegram 463, December 2, 1946, 3 p. m., from Saigon, in response reported "Majority my contacts confirm generally development of Communist setup in VIC, chiefly in Tonkin, North Annam", as previously telegraphed (851G.00/12-246). Hanoi had sent a number of telegrams and despatches in regard to fighting at Haiphong between French and Vietnamese forces since November 23, following various incidents earlier and a French ultimatum to Vietnam to evacuate certain areas.

Repeated London as 780, Moscow as 416.

CAFFERY

851G.00/12-346: Telegram

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*<sup>67</sup>

<sup>65</sup> Repeated by the Department to Paris in telegram 6332, December 5, 1946, 7 p. m.

SECRET

HANOI, December 3, 1946—noon.

[Received December 4—4 a. m.]

131. ReDeptel 15, November 29.<sup>68</sup> Possibility Ho Chi Minh in

<sup>68</sup> See footnote . p. —. contact Moscow suggested my telegram 99, October 29<sup>69</sup> but have no

<sup>69</sup> Not printed. further information available.

Am beginning believe Ho following line which will keep him in contact with French and will assure certain amount French influence here after three Kys united as suggested Deptel 241, September 9 to Saigon. Then, if and when, Communist Govt established in France, Vietnam Govt will progressively apply Marx principles.

However, that French should only now become concerned with development is peculiar. Un Govt<sup>70</sup> sow seeds more nationalist than

<sup>70</sup> Government of the Union of Indochinese states. year ago. French to my certain [knowledge?] have known since 193 that (?) is Ho Chi Minh (?) [apparent garble] stands very high in Third International. They further have strongly suspected for at least year that if Ho was not receiving instructions from Moscow it was only because of technical difficulties in transmission. It is further very peculiar that French concern should be brought to Dept's attention at very moment when French apparently are beginning to [apparent omission] program in Tonkin and when French may be preparing to force Vietnam Govt to collaborate on French terms or to establish puppet gov't in its place.

French concern over Communist may well be devised to divert Dept's attention from French policy in Indochina.

O'SULLIVAN

SECRET

851G.00/12-346: Confidential File

OUTGOING TELEGRAM

DEPARTMENT OF STATE  
Washington

December 5, 1946

US URGENT

AMERICAN CONSUL

SAIGON, (INDOCHINA) 305

FOR MOFFAT:

Assume you will see Ho in Hanoi and offer following summary our present thinking as guide.

Keep in mind Ho's clear record as agent international communism, absence evidence recantation Moscow affiliations, confused political situation France and support Ho receiving French Communist Party. Least desirable eventuality would be establishment Communist-dominated, Moscow-oriented state Indochina in view DEPT, which most interested INFO strength non-communist elements Vietnam. Report fully, repeating or requesting DEPT repeat Paris.

Recent occurrences Tonkin cause deep concern. Consider March 6 accord and modus vivendi as result peaceful negotiation provide basis settlement outstanding questions between France and Vietnam and impose responsibility both sides not prejudice future, particularly forthcoming Fontainebleau Conference, by resort force. Unsettled situation such as pertains certain to offer provocations both sides, but for this reason conciliatory patient attitude especially necessary. Intransigence either side and disposition exploit incidents can only retard economic rehabilitation Indochina and cause indefinite postponement conditions cooperation France and Vietnam which both agree essential.

If Ho takes stand non-implementation promise by French of Cochinchina referendum relieves Vietnam responsibility compliance with agreements, you might if you

SECRET

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851G.00/12-346

consider advisable raise question whether he believes referendum after such long disorder could produce worthwhile result and whether he considers compromise on status Cochinchina could possibly be reached through negotiation.

May say American people have welcomed attainments Indochinese in efforts realize praiseworthy aspirations greater autonomy in framework democratic institutions and it would be regrettable should this interest and sympathy be imperilled by any tendency Vietnam administration force issues by intransigence and violence.

May inform Ho Caffery discussing situation French similar frankness. For your INFO, Baudet in DEC 3 conversation stated 1) no question reconquest Indochina as such would be counter French public opinion and probably beyond French military resources, 2) French will continue base policy March 6 accord and modus vivendi and make every effort apply them through negotiation Vietnam, 3) French would resort forceful measures only on restricted scale in case flagrant violation agreements Vietnam, 4) d'Argenlieu's usefulness impaired by outspoken dislike Vietnam officials and replacement perhaps desirable, 5) French Communists embarrassed in pose as guardian French international interests by barrage telegraphic appeals from Vietnam. Caffery will express gratification this statement French policy with observation implementation such policy should go far obviate any danger that 1) Vietnamese irreconcilables and extremists might be in position make capital of situation 2) Vietnamese might be turned irrevocably against West and toward ideologies and affiliations hostile democracies which could result perpetual foment Indochina with consequences all Southeast Asia.

Avoid impression US Govt making formal intervention this juncture. Publicity any kind would be unfortunate.

Paris be guided foregoing.

Acheson  
Acting

SEA:COgburn  
WE:Wwallner

SECRET

86

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, December 6, 1946—4 p. m.  
[Received December 7—11:12 p. m.]

472. During visits Moffat to high French officials latter almost invariably stressed French desire arrive at peaceable settlement with Vietnam, commenting difficulty dealing with Vietnam and that latter almost always tried put political aspect to even simplest economic negotiations, and hinting France could and would go only so far in the desired settlement. On interesting remark by Commissioner for Finance was to effect France not working for political federation in French Indo-China but rather build up economic federation in which all interests would be represented and protected—he pointed out inability Vietnam understand purely economic questions and present indifference to such primary matters as affect the national economy. He and another high official stressed willingness even desire for foreign capital investments in FIC if they were for constructive purposes and not (mentioning Chinese specifically) speculative. Commissioner for Finance, however, recommending foreign capital should be united with French knowledge conditions. In above connection question is raised whether French would insist upon larger share capital and/or majority board directors. Commissioner for Economic Affairs was optimistic for next year's rice crop, estimating at least 250,000 tons exportable surplus and if political conditions improve as much as 500,000. Prospect for rubber not so bright (perhaps 30,000–35,000 tons) unless labor question solved and mentioned plan under study import 5,000 Chinese coolies but said FIC natives would possibly not react kindly to this. Mentioned also allocations of FIC rice exports this year have not been taken up completely. Among other points Commissioner for Political Affairs stated personnel all mixed commissions envisaged by *modus vivendi* have been named but still discussion where they are to meet—understand Mixed Military Commission has temporarily suspended its work in Hanoi until situation is clarified. Almost all officials remarked in one form or another Communist character of regime in north and one stated specifically Soviet mission here (mytel 451, November 21<sup>st</sup>) has already violated

<sup>14</sup>Not printed.

its undertaking not to engage in political activities in FIC.

In comment above and previous telegrams feel French would accept solution protecting interests but will only go so far (witness present stiffer attitude) but hesitate believe French would engage upon full scale military operations unless absolutely forced. French appear to realize no longer possible maintain closed door here and non-French interests will have chance to participate in unquestioned rich economic possibilities. Before this can happen political situation must be settled and in doing this Cochin China question will be turning point—still believe French will find it difficult to save Cochin China unless prepared to fight, for in choice between Vietnam and French the Cochin Chinese will join former despite dislike of Tonkinese and fear of economic and political exploitation by them.

REED



851G.00/12-1746: Circular Airgram

*The Secretary of State to Certain Missions Abroad*<sup>77</sup>

<sup>77</sup> At London, Moscow, and Nanking.

WASHINGTON, December 17, 1946—1:05 p. m.

SECRET FOR CHIEF OF MISSION

BASIC FRENCH-VIETNAMESE DIFFICULTIES

After conversations with French and Vietnamese officials and British, Chinese and US Consuls Hanoi Mr. Abbot Moffat, who is at present in SEA, has developed views in which Consul Saigon concurs along the following lines:<sup>78</sup>

<sup>78</sup> Telegram 479, December 12, 1946, 5 p. m., from Saigon (851G.00/12-1246), transmitted Mr. Moffat's report in which he stated he had left Hanoi on December 9 before receiving the Department's telegram 305, December 5, 3 p. m., p. —.

The Vietnam Government is in control of a small Communist group possibly in indirect touch with Moscow and direct touch with Yenan. A nationalist group is utilizing Communist party techniques and discipline with which they are familiar. The people are conservative landowners and attempts to communize the country are secondary and would await successful operation of a nationalist state. Apparently some leaders, like Ho Chi Minh, consider collaboration with the French essential; those like Giap<sup>79</sup> would avoid collaboration fearing

<sup>79</sup> Vo Nguyen Giap, Minister of National Defense.

French domination but might not reject French influence and aid. Nationalist sentiment runs deep among the Vietnamese and does opposition to the French, and they might easily turn against all whites. French influence is important not only as an antidote to Soviet influence but to protect Vietnam and SEA from future Chinese imperialism. Delay in achieving a settlement will progressively diminish the possibility of ultimate French influence.

The honesty of both French and Vietnamese officials is questionable in connection with recent incidents. O'Sullivan believes the Viet-

clear that with a different French commander at Haiphong than Colonel Debes, who is notorious for graft and brutality and who has admitted that he cannot control his own troops, the trouble might have been confined to the original incidents.

According to the French, the Vietnamese enlarge their claims after each agreement and are so impractical and doctrinaire that all conversations are ineffectual. The Vietnamese feel that the French renege on each agreement and are trying to reestablish control. However, both say they have approximately the same objectives, although Giap says Vietnam opposes a political Indochinese federation but favors a federation dealing with common economic problems. Moffat has mentioned to the French three apparent basic troubles: (a) complete mutual distrust, (b) failure of the French to resolve their own views on "free state within French Union", (c) almost childish Vietnamese attitude and knowledge of economic questions and vague groping for "independence". Agreement cannot be reached by trying to reach accords on incidental problems. Basic Vietnam powers and relations with France must first be established. Not only new faces are needed but neutral good offices or even mediation may be essential.

BYRNES

851G.00/12-2046: Circular telegram

*The Secretary of State to Certain Diplomatic and Consular Officers*<sup>82</sup>

<sup>82</sup> At Moscow, Nanking, and Saigon.

CONFIDENTIAL WASHINGTON, December 20, 1946—10 a. m.

Amb Paris states Moutet, Minister Overseas, will leave soon visit all parts Indochina confer with Ho Chi Minh after which he will go Nanking discuss Chinese relations with Indochina. D'Argenlieu will arrive Indochina same time as Moutet. Caffery says<sup>83</sup> question

<sup>83</sup> Telegram 6183, December 19, 1946, 5 p. m., not printed.

French policy Indochina was important factor during recent political crisis, opinion being sharply increasingly divided on subject. Left-wing parties defended liberal policy toward Vietnam, accusing d'Argenlieu, French military, civilian authorities Indochina of sabotaging Mar 6 agreement and *modus vivendi*. Radical Socialists MRP and other center and rightwing parties accused Moutet of giving away France's most valuable colony, demanded firmer attitude toward Ho and Vietnam. In speech to Assembly, Communist Duclos spoke of need for policy protecting interests French union, maintaining interests France everywhere in world. He warned France must not make Indochina same mistakes that cost her position Levant. This moderate but cryptic statement reflects recent Communist caution re Indochina which generally interpreted as designed avoid opposing public opinion which is increasingly anxious over possibility losing Indochina. Caffery remarks Blum Govt's decision send both Moutet, d'Argenlieu Indochina seems be compromise which avoids any decision between opposing advocates of firm and conciliatory policy. He doubts whether such comp can hope solve successfully serious crisis which arisen Indochina.

BYRNES

8516.00 12-2346

*Memorandum by the Director of the Office of Far Eastern Affairs  
(Vincent) to the Under Secretary of State (Acheson)*

[WASHINGTON.] December 23, 1946.

The serious implications of the fighting between the French and the Vietnamese which took place in the Tonkinese towns of Haiphong and Langson during the week of November 20-27 were noted in a memorandum to you of November 26.\* It was feared at that time

\* Not printed.

that a showdown by force was in the making. This now appears to have eventuated. For the past six days, open war has been raging in Tonkin and at several points in Annam. The Vietnamese Government has fled Hanoi and the French are endeavoring to clear the city of remaining Vietnamese guerillas with planes and tanks. Vietnamese casualties during the past month are probably now well over 2,000. Although French casualties have been far lighter, Sainteny (Commissioner for Tonkin and northern Annam) was himself seriously wounded four days ago.

You may wish to make the following points when you see Ambassador Bonnet this afternoon:

1. We are deeply concerned by the outbreak of war in Tonkin and Annam and by the apparent severance of most of the contacts between the French and the Vietnamese and are fully aware of the unhappy position in which the French have been placed;

2. We are gratified by the news that M. Moutet (Minister for Overseas France) is proceeding immediately by air to Indochina to obtain first-hand information on the situation;

3. We are aware that such unsettled conditions as now prevail in northern Indochina offer provocation to outside interference and are disturbed lest:

a. The conflict be brought up before the Security Council as a threat to peace;

b. Other powers attempt some form of intervention, in which connection it may be noted that the Chinese press has reported that the dispatch of Chinese troops to the area is being considered owing to the heavy losses sustained by the local Chinese in the November fighting;

*For your information:*

Although the French in Indochina have made far-reaching paper-concessions to the Vietnamese desire for autonomy, French actions on the scene have been directed toward whittling down the powers and the territorial extent of the Vietnam "free state". This process the Vietnamese have continued to resist. At the same time, the French themselves admit that they lack the military strength to reconquer the country. In brief, with inadequate forces, with public opinion sharply at odds, with a government rendered largely ineffective through internal division, the French have tried to accomplish in Indochina what a strong and united Britain has found it unwise to attempt in Burma. Given the present elements in the situation, guerilla warfare may continue indefinitely.

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In connection with the possibility of Chinese intervention in Indochina, the Chinese Embassy in London has approached the Foreign Office to propose joint Chinese-British intervention in Indochina and the Chinese Embassy in Paris has approached our Embassy in Paris to propose Chinese-British-American intervention. It is believed that the Chinese Embassy here may approach us to the same purpose. If so, it is considered that we should reply as the British replied, to the effect that Moutet is en route to Indochina to review the situation, that the French line in Indochina will probably be clarified as French internal politics emerge from their present confusion, and that an offer of mediation at this time would probably be resented and rejected by the French.

J[OHN] C[ARTER] V[INCENT]

8516.00 (17-2346: Telegram)

*The Vice Consul at Hanoi (O'Sullivan) to the Secretary of State*

SECRET

HANOI, December 23, 1946—9 p. m.  
[Received December 24—1:35 p. m.]

154. Reasons why Vietnamese attacked French December 19 unclear.

However, theories here are: (1) Result orders from Moscow (a) possibly simply to upset Southeast Asia, (b) possibly to give French Communist Party, should it take power when present Blum Government goes, opportunity to make quick favorable settlement with Vietnamese thus enabling French Communists to pose as "protectors of French interests" thereby increasing CP strength in France; (2) Result settlement Japanese obtained from Holland by fighting while negotiating as Vietnamese apparently lost all hope satisfactory settlement when return d'Argenlieu announced.

Repeat to Paris.

O'SULLIVAN

851G.00/12-2446

OUTGOING TELEGRAM

DEPARTMENT OF STATE  
Washington

Confidential

December 24, 1946

AMEMBASSY

PARIS.  
6586

The Under Secretary asked Bonnet to call yesterday afternoon to discuss the situation in Indochina. Mr. Acheson said that we are deeply concerned by the outbreak of hostilities in Tonkin and Annam and are fully aware of the unhappy situation in which the French find themselves. We had anticipated such a situation developing in November and events have confirmed our fears. While we have no wish to offer to mediate under present conditions we do want the French GOVT to know that we are ready and willing to do anything which it might consider helpful in the circumstances. We have been gratified to learn of Moutet's mission and have confidence in his moderation and broad viewpoint. We believe however that the situation is highly inflammatory and if present unsettled conditions continue, there is a possibility that other powers might attempt to bring the matter up before the Security Council. If this happens, as in the case of Indonesia, the question will arise whether the matter is one of purely French internal concern or a situation likely to disturb the peace. Other powers might likewise attempt some form of intervention as has been suggested in the Chinese press. We would be opposed to such steps, but from every point of view it seems important that the question be settled as soon as possible. Mr. Acheson added that he wondered whether the French would attempt to reconquer the country through military force which was a step that the British had found unwise to attempt in Burma.

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Bonnet said that he had little direct info with regard to the present situation in Indochina but referred to Leon Blum's speech in the Assembly this morning. He summarized important points of the speech which he said clearly indicated that Blum's policy is to settle the question as far as possible by conciliatory means and that this was the purpose of Moutet's visit. He said that Blum had reiterated that French policy is to assure the independence (within the French empire) of Viet Nam and complete self GOVT. It was unfortunate that it had been impossible up to the present to implement the far reaching concessions embodied in the French agreement with Viet Nam.

He said that personally he would be surprised if the Chinese brought the question up before the Security Council at this time for he felt that the Nanking GOVT was sympathetic to the French position in Indochina. He concluded by saying that he would inform his GOVT of our friendly interest and of our deep concern over the situation and let us know the reaction from Paris.

BYRNES

851G.00/12-2446: Telegram

*The Acting Secretary of State to the Chargé in the United Kingdom  
(Gallman)*

SECRET

WASHINGTON, December 27, 1946—7 p. m.

8317. Urtels 10216, Dec 21 and 10245, Dec 24.<sup>88</sup> No Chinese pro-

<sup>88</sup> See footnote, p. —.

posal received here for intervention Indochina. Event such approach, Dept reaction will be negative with reply based same considerations emphasized by Brit FonOff in reply such suggestion by Chinese, namely (1) possibility results from Moutet trip, (2) likely clarification French line Indochina as French internal politics emerge from confusion, and (3) certainty offer of mediation would be resentfully rejected by French.<sup>89</sup>

<sup>89</sup> Telegram 10279, December 30, 1946, 1 p. m., from London, reported that the British Foreign Office was gratified at the Department's similar position and stated that the Chinese Embassy was being informed of British rejection of the proposed intervention in Indochina (851G.00/12-3046).

Sent to London as 8317. Repeated to Paris as 6608; Saigon as 319; and Nanking as 1244.

ACHESON

851G.00/12-3046: Telegram

*The Consul at Saigon (Reed) to the Secretary of State*

CONFIDENTIAL

SAIGON, December 30, 1946—4 p. m.

[Received 10:21 p. m.]

499. Leclerc arrived Saturday <sup>92</sup> p. m. with many his original staff

<sup>92</sup> December 28.

[and] is proceeding Hanoi Tuesday. After conference with Leclerc, Moutet left for Cambodia, Laos and Argenlieu for Hanoi Sunday a. m.

French making progress in north and west and proposal from Vietnam military leader [to] withdraw his troops from city is being favorably considered. Big question now with whom Moutet can deal, pro-Vietnam elements insisting still can treat with Cobue, most observers think this unlikely. Solution as I have previously reported may be creation new Vietnam Government, say under Bao Dai <sup>93</sup>

<sup>93</sup> Emperor of Annam who abdicated in August 1945.

and/or Tam (now in Nanking) with which French can treat without losing face and which will have influence with native population. Many natives definitely tired this seemingly endless insecurity and want chance resume peaceful life. With diplomatic handling, solution can be obtained but extremist element will continue make trouble possibly long time to come. Not impossible Vietnam Government thus created will claim only Tonkin, Annam as overheard remark Moutet to Tv (Vice President Cochin China Government) indicated French backing independent Cochin China. Unquestionably attack and atrocities (from two to five hundred French civilians killed) have roused French feeling—even Moutet surprisingly outspoken—and until all other means exhausted French will be disinclined accept mediation.

Department please repeat Paris, London, Nanking.

REED



851G.00 12-2846: Telegram

*The Secretary of State to the Vice Consul at Hanoi (O'Sullivan)*<sup>95</sup>

<sup>95</sup> The Department also sent information telegrams, giving the gist of this telegram to Paris, London, Nanking, and Saigon.

SECRET

WASHINGTON, December 31, 1946—7 p. m.

25. No objection your acting humanitarian grounds as described

urtel 160 Dec 28<sup>96</sup> or, with French agreeing, in any other strictly local,

<sup>96</sup> In this telegram Vice Consul O'Sullivan reported that he had informed the Chinese Consul General at Hanoi that he would be willing to aid in any capacity to which French authorities gave approval and requested the Department's instructions on this point. The Chinese had suggested that the Vietnamese might wish unofficial presence of British and American consular officers in any meeting with the French. (851G.00/12-2846)

military, non-political situation in order save lives. You should not, however, without express Dept authorization become involved any situation any way which could be interpreted as mediation basic political issues between opposing parties. For your secret info, Acting Secy in Dec 23 conversation with French Amb here expressed our concern outbreak hostilities and our readiness do anything which might be considered helpful but stated we have no wish offer mediate present conditions. Further, on receipt info that Chinese had approached Brit FonOff and AmEmb Paris with proposal joint mediation. Dept decision was adverse this juncture in view certainty resentful rejection by French. Brit reaction also negative. Chinese desire extend influence Indochina seems clear and French Communists ready make instant capital any appearance outside intervention Indochina as "foreign imperialism."

BYRNES



SECRET

855.24/1-347: Secret File

OUTGOING TELEGRAM

AMEMBASSY

January 8, 1947  
7 pm

PARIS

75.

DEPT's present policy on arms and armaments approves QUOTE sales to France by the FLC of reasonable quantities of military supplies except in cases which appear to relate to Indochina UNQUOTE. French requests for purchase surplus military supplies in Burma and Philippines for use Indochina have been consistently refused on basis this policy which consequently should be well known to FONOFF and OFLC Paris. Since French have apparently stated their proposed purchase ammunition subject URTEL 33 is related to Indochina hostilities, DEPT could not approve its resale to them by Belgians. You may wish intimate as much to FONOFF before receipt note you anticipate.

BYRNES

WE:WWallner

SECRET

SECRET

OUTGOING TELEGRAM

URGENT  
ANEMBASSY

February 3, 1947.  
8 pm

PARIS

431

There is reason for increasing concern over situation as it is developing in Indochina and for that reason I feel you might well take early occasion to have frank talk with Ramadier or Bidault or both somewhat along lines conversations you have already had with Blum, but at this time going in fact beyond position you took in those talks. We have only very friendliest feelings toward France and we are anxious in every way we can to support France in her fight to regain her economic, political and military strength and to restore herself as in fact one of major powers of world. In spite any misunderstanding which might have arisen in minds French in regard to our position concerning Indochina they must appreciate that we have fully recognized France's sovereign position in that area and we do not wish to have it appear that we are in any way endeavoring undermine that position, and French should know it is our desire to be helpful and we stand ready assist any appropriate way we can to find solution for Indochinese problem. At same time we cannot shut our eyes to fact that there are two sides this problem and that our reports indicate both a lack French understanding of other side (more in Saigon than in Paris) and continued existence dangerously outmoded colonial outlook and methods in area. Furthermore, there is no escape from fact that trend of times is to effect that colonial empires in XIX Century sense are rapidly becoming thing of past. Action Brit in India and Burma and Dutch in Indonesia are outstanding examples this trend, and French themselves took cognizance of it both in new Constitution and in their agreements with Vietnam. On other hand we do not lose sight fact that Ho Chi Minh has direct Communist connections and it should be obvious that we are not interested in seeing colonial empire administrations supplanted by philosophy and political organizations emanating from and

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controlled by Kremlin. Fact does remain, however, that a situation does exist in Indochina which can no longer be considered, if it ever was considered, to be of a local character. If that situation continues deteriorate some country in direct interest is very likely to bring matter before Security Council under Chapter 11 of Charter. We have no intention taking such action ourselves at this time, but French will surely appreciate that we do have a vital interest in political and economic well being this area. If some country should bring matter before Security Council we would find it difficult to oppose an investigation Indochinese problem unless negotiations between parties were going on. It might be added that it would not in our estimation be in France's long-range interest to use her veto position to keep matter from coming before Council. Frankly we have no solution of problem to suggest. It is basically matter for two parties to work out themselves and from your reports and those from Indochina we are led to feel that both parties have endeavored to keep door open to some sort of settlement. We appreciate fact that Vietnam started present fighting in Indochina on December 19 and that this action has made it more difficult for French to adopt a position of generosity and conciliation. Nevertheless we hope that French will find it possible to be more than generous in trying to find a solution.

MARSHALL

WE:PTCulbertson

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851G.00/5-1347: Secret File

OUTGOING TELEGRAM

AMEMBASSY,

May 13, 1947.

8 pm

PARIS.

1737

We becoming increasingly concerned by slow progress toward settlement Indochina dispute. We fully appreciate French are making effort reach satisfactory settlement and hope visit Commissioner Bollaert to Indochina will produce concrete results. The following considerations, however, are submitted for your use any conversations you may have with French authorities at appropriate time this subject. We recognize it might not be desirable make such approach to newly constituted government in first days its reorganization, but nevertheless feel early appropriate opportunity might be found inform French Gov of our concern in this matter.

Key our position is our awareness that in respect developments affecting position Western democratic powers in southern Asia, we essentially in same boat as French, also as British and Dutch. We cannot conceive setbacks to long-range interests France which would not also be setbacks our own. Conversely we should regard close association France and members French Union as not only to advantage peoples concerned, but indirectly our own.

In our view, southern Asia in critical phase its history with seven new nations in process achieving or struggling independence or autonomy. These nations include quarter inhabitants world and their future course, owing sheer weight populations, resources they command, and strategic location, will be momentous factor world stability. Following relaxation European controls, internal racial, religious, and national differences could plunge new nations into violent discord, or already apparent anti-Western Pan-Asiatic tendencies could become dominant political force, or Communists could capture control. We consider as best safeguard against these eventualities a

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851G.00/5-1347

continued close association between newly-autonomous peoples and powers which have long been responsible their welfare. In particular we recognize Vietnamese will for indefinite period require French material and technical assistance and enlightened political guidance which can be provided only by nation steeped like France in democratic tradition and confirmed in respect human liberties and worth individual.

We equally convinced, however, such association must be voluntary to be lasting and achieve results, and that protraction present situation Indochina can only destroy basis voluntary cooperation, leave legacy permanent bitterness, and irrevocably alienate Vietnamese from France and those values represented by France and other Western democracies.

While fully appreciating difficulties French position this conflict, we feel there is danger in any arrangement which might provide Vietnamese opportunity compare unfavorably their own position and that of other peoples southern Asia who have made tremendous strides toward autonomy since war.

While we are still ready and willing do anything we can which might be considered helpful, French will understand we not attempting come forward with any solution our own or intervene in situation. However, they will also understand we inescapably concerned with situation Far East generally, upon which developments Indochina likely have profound effect.

Plain fact is that Western democratic system is on defensive in almost all emergent nations southern Asia and, because identified by peoples these nations with what they have considered former denial their rights, is particularly vulnerable to attacks by demagogic leaders political movements of either ultra-nationalist or Communist nature which promise redress and revenge past so-called wrongs and inequalities. Signs development anti-Western Asiatic consciousness already multiplying, of which Inter-Asian CONF an example. Unanimity support for Vietnamese among other Asiatic countries very striking, even leading to moves Burma, India, and Malaya send volunteer forces their

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851G.00/5-1347

assistance. Vietnam cause proving rallying-cry for all anti-Western forces and playing in hands Communists all areas. We fear continuation conflict may jeopardize position all Western democratic powers in southern Asia and lead to very eventualities of which we most apprehensive.

We confident French fully aware dangers inherent in situation and therefore venture express renewed hope they will be most generous attempt find early solution which, by recognizing legitimate desires Vietnamese, will restore peace and deprive anti-democratic forces of powerful weapon.

For your INFO, evidence that French Communists are being directed accelerate their agitation French colonies even extent lose much popular support France (URTEL 1719 Apr 25) may be indication Kremlin prepared sacrifice temporary gains with 40 million French to long range colonial strategy with 600 million dependent people, which lends great urgency foregoing views. French position Indochina dispute since DEC 19, which based on Vietnam initiative attack, seems DEPT dangerously one-sided in ignoring Debes attack Haiphong NOV 23 and understandable Vietnam contention that stand had be made some point view steady French encroachments after MAR 6 on authority and territory Vietnam (e.g., establishment Cochinchinese REP, occupation southern Annam and Moi Plateau, and Dalat plan French-dominated Federation to which Vietnam would be subservient,) DEPT much concerned lest French efforts find QUOTE true representatives Vietnam UNQUOTE with whom negotiate result creation impotent puppet GOVT along lines Cochinchina regime, or that restoration Baodai may be attempted, implying democracies reduced resort monarchy as weapon against Communism. You may refer these further views if nature your conversations French appears warrant.

Saigon and Hanoi should be guided by this TEL in any conversations Bollaert.

MARSHALL.

SEA:COgburn

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851G.00/9-1147: Secret File

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OUTGOING TELEGRAM

DEPARTMENT OF STATE

US Urgent

Sep 11 1947

AMEMBASSY

PARIS 3433

For the Ambassador

We have read with concern recent telegrams from our officers in Indochina (repeated to you) to the effect that local French military are seriously contemplating an offensive against Vietnamese in dry season beginning at end this month. It is difficult for us give credence these reports in light French economic, financial and food position. It is obvious that such an offensive, if it took place under these conditions, would have serious effect on public opinion here which would be reflected in a Congress which will be called upon to consider extensive financial aid for western European nations, including France.

Please make appropriate informal inquiries and report urgently. For your info Dept considering approach French on apparently rapidly deteriorating prospects for Franco-Vietnam settlement and is awaiting your reply this point.

MARSHALL

SECRET

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CONFIDENTIAL

Consulate  
Hanoi, French Indochina  
September 12, 1947

Recd CONFIDENTIAL  
Oct 7, 1947

ACTION SUBJECT: Speech of Emile Bollaert on September 10 on French Policy  
PE-enc in Indochina

INFO  
OCD-enc  
DCR  
EUR-enc THE HONORABLE  
SPA  
OIE THE SECRETARY OF STATE  
WAR  
NAVY WASHINGTON, D.C.  
CIG  
POL SIR:

I have the honor to refer to my telegram number 286 of September 11, 8 a.m. and to report further on the speech delivered by EMILE BOLLAERT, High Commissioner of France for Indo China. There are enclosed five copies of the speech as published by "L'Entente" in a supplement to its regular daily edition.

The site selected by Mr. Bollaert was HADONG, a provincial capital which lies 10 miles southeast of Hanoi, and which was, for a time, headquarters of the Viet Nam Government after its flight from Hanoi in December, 1946. Hadong apparently was chosen as the place for the speech that M. Bollaert might make reference to "this razed city of Tonkin, in ruins still haunted by memories of terror". Robert Sherrod of "Time" had previously described it as "probably the most thoroughly war-wrecked city in the world."

The speech itself was delivered at about 5 p.m. in a public square. Around M. Bollaert, when he spoke, were gathered the several hundred civilians (white and Vietnamese) and the many military officers who had been invited. Some 1,500 Vietnamese, largely peasant women and children, were kept behind ropes set up to form a square in the center of which was the rostrum that the Vietnamese guerrillas had tried to burn the evening previous.

This speech represents the most important declaration of French policy that has been made in the last year. M. Bollaert, it will be recalled, was originally named High Commissioner for Indo China, replacing Admiral THIERRY D'ARGENLIATI in March. He arrived in Indo China early in April, and subsequently returned to Paris in June.

He was in Saigon again in late July and shortly thereafter revealed to the press that he intended to deliver a major policy declaration in

C O P Y

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Tonkin in the course of the next month. He came to Hanoi on August 7, 1947. The Ramadier Government, at that time, faced the difficult questions of the Statute of Algeria and the Municipal Election law and was under attack from within its own party. Bollaert, instead of delivering his speech, when the government.....No less than four "conseils restreints des Ministres" and one full "Conseil", plus a series of private interviews between Bollaert, the Generals de Pellet and Valluy, and Ramadier were needed to settle the final form of the speech, which I am informed, was much changed from the original version.

The speech, then, was word by word and sentence by sentence laboriously assembled by the Ramadier Government, and is the logical conclusion of France policy as pursued in Northern Indo China for the past two years. For as the French military position in Tonkin has improved militarily, so in almost exact ratio has declined their willingness to make concessions. M. Bollaert's speech represents a definite retreat from the French position taken in the March 6, 1946, Accords, and indeed its terms on their face are no more liberal than the 1884 Treaty of the Protectorate.

Stripped of its verbiage, the speech constituted an oblique offer to the Vietnamese people to bring forth a "representative government" which would accept the terms offered by M. Bollaert on which there was to be no "bargaining" as this "would be in truth unworthy of such a noble cause." This seems to be designed as an escape clause for the French government and is directed against Ho Chi Minh with whom the French apparently will deal only in a last extremity. At the present time, the French have no intention of dealing with Ho and should he accept the terms as offered, the French would unquestionably demand the immediate surrender of his arms and armies for "the weapons must grow silent."

Bollaert first defined the goal toward which "the Vietnamese people aspire freedom within the French Union and unity of the three Kys". He said this freedom is in no way restricted other than "by the limits forced on it by the fact that these territories belong to the French Union". But France, he maintained "does not take any position with regard to the problem" of unity of the Kys save that "she requires that the Union should not be made under pressure and according to totalitarian formulas universally condemned". Then should the Union be derived from the popular wish duly expressed, local particularisms should be preserved, and the cohesion of the Annamite countries should "be founded not on the interest of only one but on the confidence and friendship of all", he stated.

As for the states, separated or unified as they wish, M. Bollaert said "we are ready to hand over to the fully qualified governments the managements of public affairs" which means the organization without French interference of "its representative institutions, judicial proceedings, its own finance, education, social legislation, and hospitals".

The states of the peninsula, M. Bollaert then foresaw by the facts of geography have certain common interests which will require common policies. He pointed out that "all right minded people" will concede that among other

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things, a "common customs system, common currency, and common policy of immigration" is necessary. (This latter was added because of the problems posed by the proximity of China.) These states, M. Bollaert continued, will also plan together the reconstruction of Indo China in which "of course, we (the French) have our own point of view".

"This collaboration is, after all, unavoidable and all those concerned (the French Republic being one of them) will have to decide together how, under the supervision of the High Commissioner,.....

.....also be "commissioners of the republic" to defend "French economic and cultured interests".

"The High Commissioner, or his delegate (whose functions or position is not specified), will take good care that our countrymen are enabled to enjoy all the democratic freedom enjoyed by the citizens of the states belonging to the Union and will see to it that our concerns do not fare worse than local ones; the citizens and concerns of Indochina being, in return, certain of finding the same advantages in France. The High Commissioner or his delegate will therefore insist on ascertaining that the personal and material status of French subjects is never one-sidedly changed."

And finally, M. Bollaert said, the High Commissioner will have a special status drawn up for the "southern and northern minorities of Indo China whose rights are considered by the French as having a sacred character."

All the Indochinese states will be, M. Bollaert said, in the French Union which "must frame in the autonomy of the Indo Chinese people...it does not restrain private immunities...the French Union is resilient and dynamic enough to allow a nation to develop freely in framework...it is an aggregate of forces, ever on the move, each through a never ceasing interplay of exchange, giving and taking at one and the same time...it is in the French Union that men will find their raison d'etre".

But, he added, the French Union can have only one army and one diplomacy. "The police forces of the associated states of Indo China will assure in time of peace internal order on their own territory; in case of foreign aggression, they will be integrated in the armed forces of the French Union for the defense of their countries and of the Union."

M. Bollaert also promised that the French "would not take reprisals and that all political and military prisoners would be liberated reciprocally. He made a thrust at the "originators of the December 19th aggression" who have lost "much of their credit with the French people". He extolled the French Union and its accomplishment and possibilities at some length and concluded:

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"This peace depends upon you (the Vietnamese people) to obtain it."

#### ANALYSIS

##### Individual States

The speech left the way open for unification of the three Kys which the French feel as a foregone conclusion. The French cleverly do not propose any solution but leave the burden of preparing a plan acceptable to all Kys in the hands of the Vietnamese.

The status of the states, either unified or separate, is one of "liberty and freedom" within the French Union. There is no recognition of Vietnam as an "etat Libre", such as was done in the March 6 agreement. There is nowhere any mention of "independence" save in the statement by M. Bollaert in Vietnamese: "BOC LAP TRONG KHOI LAEN HIEP THAT" (Independence within the framework of the French Union.) Nor will France hand over anything to the States which resembles "sovereignty". Rather she will give only "public administration".

This omission is commented upon by the AFP in a September 12 despatch from Hanoi as follows:

"On the other hand, French circles expressed appreciation for the liberalism of the French government, a liberalism which may reduce the tension. It is only regretted that the word 'independence', as being capable of producing a (favorable) psychological shock, was not pronounced."

Each state or states will organize its representative institutions, its justice, its finances, its education, its social legislation and its hospitals.

The exact judicial formula has not yet been settled, however. Didier MACHEL, Political Counsellor to the High Commissioner, whom I saw after the speech was delivered, pointed out it was uncertain whether the courts of the states would have jurisdiction over French and foreigners within its territory. He did not specify whether Laotians and Cambodians would be considered foreigners with a special status. He suggested, as his personal opinion, that perhaps there might be a solution in the establishment of "mixed tribunals" or possibly mixed or wholly French appellate courts over Vietnamese courts of first instance.

The state governments will have the help, if they so desire of "our fonctionnaires and our technicians", another retreat from the previous position as only French "counsellors, technicians, and experts" were mentioned in Article 4 of the Modus Vivendi of September 14. Finally, France solemnly renounced all administration direct and indirect. France solemnly renounced "direct" administration in the June 6, 1884 Treaty which states in Article 7: The (French) residents (in Tonkin) will avoid treating details of interior administration in the provinces.

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#### Grouping of States

Bollaert did not abolish the "Federation". He diluted and watered it down and his staff maintain that it is dead. However, at least three "common services" (a euphonistic name for federal services) will exist: finance, immigration, and customs. It is probably an economic fact that if there were no federation in Indo China it would probably be necessary to invent one. Bollaert indicated in his speech that there might be more "common services" than those he specifically mentioned. Didier MICHEL maintained vehemently there would not be; that the concept of the Federation, as proposed by D'Argenlieu, had been completely abandoned. However, the history of French administration in Indo China is not one to inspire confidence in such limitations as the French voluntarily place on the activity of their services.

No where is there any mention of the "Surete", that ubiquitous French combination of an FBI (for Europeans) and a Gestapo (for Vietnamese). MICHEL maintained the Surete of the state or states which emerge would be in the hands of the local government. He said that in Laos and Cambodia there was not a single French member of the Surete which was entirely in the hands of the indigenous peoples. He considered that during the early stages of development in Vietnam, there would be two Suretes which would then be merged as gradually French personnel would be eliminated. "You will understand, I believe, that the situation in Tonkin is not such that we can eliminate, at the present time, the French Surete completely without danger to French lives", he said.

There is no good explanation of why Bollaert did not mention the eventual disappearance of the Surete in his speech. Nor is there any good reason why it was left to Premier RAMADIER rather than Bollaert to state in a Paris Press Conference that the government "undertook to eliminate the network of the administrative corps which control or direct the administrative service".

#### Special Status

Special status will be prepared by the High Commissioner for the minorities of the North and South whose rights have, since the war, assured an overwhelming "sacredness" to the French. It might be mentioned that the Dutch in Indonesia and, for a time, the British in Burma developed similar sentiments at about the same time.

The Mols of the south - the Nung, Tho, Meo, Nan, Lolo, Muong, Black and White Thai, among others in the north - will become more or less special wards of the French. Didier MICHEL did not care to elaborate what kind of a status the French proposed for these people. This is the logical development of French policy vis-a-vis minorities set as early as April 9, 1946, as revealed by documents which the Vietnam government

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obtained from the French Headquarters by ways more or less devious. It is also interesting to note that throughout last year, French officials stridently denied that they intended to enclose Vietnam in a framework of directly administered French territories.

#### External Relations

Vietnam or the individual three Kys are flatly denied any foreign representation as such. It or they will have the right to participate in the representation of the French Union particularly in the surrounding countries where it or they have economic and cultural interests to defend. But Vietnamese diplomats will represent, regardless of their grade, only the interests of the French Union.

#### Army

The States will have only armed forces which will be integrated into the single army of the French Union. The army of the "etat libre" of March 6 has thus disappeared although in time of peace the police forces of the associated states of Indo China will assure "internal order".

#### Commissioners

The Commissioners of the Republic will be attached to the local government. According to MICHEL, he or they will have only a very small staff: a political, economic, and possibly a cultural adviser or counsellor. His or their task will be to protect French interests. His position as defined is very nebulous but it will develop great strength as the defender of French interests. It offers such possibilities that no attempt can yet be made to evaluate its workings.

#### CONCLUSION

The position taken in the speech is the logical development of French policy in Indo China. As France's military strength improved with willingness to make concessions diminished. Before French troops were in place in Tonkin, France was willing to concede recognition of Vietnam as an "etat libre", having its own government, parliament, army and finances. By the Modus Vivendi of September 14 France was demanding much strengthened Federation with control of customs of primary importance. It was on the willingness of the French to enforce this customs control that the Haiphong incident of November 21 developed. It was from the desire of the French to reduce the Vietnam Government to impotence that the French counter-position of November 23 with its famous ultimatum was taken.

At the present time, there are only two reasons for France to make any concessions whatsoever; world opinion (to which the Indochinese French have always been more or less immune - note the pre-war opium monopoly) and the fact that they are faced with armed resistance.

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But should this resistance be broken in Tonkin during the coming fall campaign, there is no doubt whatsoever that the final settlement will in practice be even less liberal than its present form.

As it now stands, the French position as expressed by M. Bollaert is an elastic instrument which will become a vise if the Vietnam Government is crushed but which, if this task proves beyond French military strength, can be stretched even to cover negotiations with Ho.

Respectfully yours,

James L. O'Sullivan  
American Vice Consul

Enclosures: Five Copies of M. Bollaert's speech on September 10

800

JLC'Sullivan:jcf

cc: Consulate General Saigon

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851G.00/9-1247: Secret File

DEPARTMENT OF STATE

Incoming Telegram

SECRET

Rec'd September 12, 1947  
2:30 p.m.

FROM: Paris

TO: Secretary of State

NO: 3715, September 12, 4 p.m.

I talked informally to Bidault along the lines of  
Dept's 3433 September 11. He said he understood our  
point of view and as far as he knew there are no plans  
for a military offensive against Vietnamese in dry  
season beginning at end this month.

CAFFERY

SECRET

Form DSS-292  
(7-2-40)

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COMMUNICATIONS AND RECORDS  
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DEPARTMENT OF STATE

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SEA	✓
AF	
Int.	✓
NA	
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SEA	✓

INCOMING TELEGRAM

SECRET

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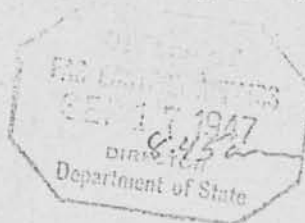
1-D

Action: FB  
Info: S/S  
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SIG  
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DC/R

Control 4925

Rec'd September 16, 1947  
3:30 p.m.

FROM: Paris  
TO: Secretary of State  
NO: 3753, September 14, Noon.



In absence of Baudet, situation in Indochina discussed with his assistant, Boissaisson.

He stated no information yet received from French authorities in Indochina regarding reaction to Bollaert speech while information regarding developments in Hong Kong limited to press despatches. He confirmed Foreign Office lukewarmness towards Bao Dai, but said reports in recent weeks indicated growing national support for him based largely on a reaction against the terroristic methods and totalitarian organization of Ho Chi Minh's government.

Boissaisson asserted that no official negotiations are being conducted with Bao Dai but admitted that a French official had been sent to Hong Kong for "liaison" purposes. He indicated French are fully aware that ultimate objective of Bao Dai and groups supporting him (i.e., complete independence) are little different than Ho's and that only advantage for France in dealing with Bao Dai would be presumably his less "rigid and doctrinaire" viewpoint.

Boissaisson confirmed Baudet's pessimistic views regarding Bollaert's speech and the possibility of successful negotiations resulting therefrom. However, he pointed out that while the Bollaert offer might be regarded as a step backward as regards control of the armed forces and separate diplomatic relations, it was a step forward on two points: (1) the formal abandonment of the idea of an Indochinese federation with supervisory powers; (2) the acceptance in principle of the union of the three KYS

without

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851G.01/9-1447

OCT 2 1947

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3753, September 14, Noon, from Paris

without necessity any referenda. Boissaisson said that the watering-down of Bolleart's original ideas was due largely to the fear of possible repercussions in Morocco.

In conclusion, he thought that local military actions might take place with a view to improving communications and eliminating Vietnam salients and islands, but knew of no plans for an "imminent military offensive".

Sent Department as 3753; repeated London 741.

CAPPERY

DES:RG

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DEPARTMENT OF STATE

INCOMING TELEGRAM

Control 5638

Rec'd October 18, 1947

7:17 a.m.

FROM: Nanking  
TO: Secretary of State  
NO: 2096, October 18, 2 p.m.

In conversation with Embassy officer on subject of Indochina, Vice FONMIN George Yeh and Director of European Dept FONOFF expressed following views:

It is difficult to foresee a settlement of Indochina question under current French policy, which is main position of other powers, particularly China and US, extremely difficult. It is unlikely that a govt can successfully be formed without participation of Ho Chi Minh, as Ho and his group are the only ones having a genuinely popular following. Attempts to alienate Ho's adherents under present circumstances unlikely of success. Persistence of French in present military course carries danger of forcing entire freedom movement into hands of Extreme, Communist elements.

Ho is regarded as Communist but many Vietminh leaders are not. Vice Minister is impressed with Ho's personality and commented that Ho was an abler individual for example than Sjahrir of Indonesian Govt, both men being personally known to him. The question of possible danger to China from a Communist-influenced regime adjacent to her southern border did not appear to be of critical importance.

The National Union Front does not have a solid popular base. It consists in the main of a group of prominent figures and if these leaders were removed from the picture (the recent assassinations in Saigon and Hanoi were recalled) the movement would probably have little force left. As regards Bao-

Dai "the

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#2096, October 18, 2 p.m., from Nanking

Dai "the Chinese people would not regard favorably the reestablishment of a monarchy in Indochina. Bao-Dai has not recently been in Nanking (REDEPTEL 1205, September 29) and FONOFF officials made oblique reference to a "French story" to that effect.

Embassy comment: while no direct statement was vouchsafed by FONOFF officials as to Chinese attitude toward National Union or Nguyen Hai Than, foregoing would appear to indicate FONOFF does not contemplate support of Bao-Dai who would seem to be an indispensable element in present French plans and that a dubious view, at best, is taken of National Union movement. As Dept is aware there are diverse Chinese elements interested in the Indochina situation and views given above do not purport to represent crystallized Chinese attitude. No allusion was made during interview to possible mediation by third power or powers.

STUART

BB:DCB

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Department of State

CONFIDENTIAL

Jan. 29, 1948

Washington, 1:10 p.m.

NO. \_\_\_\_\_

SUBJECT: INDIA'S POSITION REGARDING INDOCHINA

2291

To

Certain American Diplomatic and Consular Officers.

*8519.00/1-2948*

Amembassy, New Delhi, has reported following regarding the Government of India's attitude toward Indochina as furnished by official External Affairs Dept:

"As frequently expressed by Nehru, India has deep sympathy for efforts southeast Asian countries fulfill national aspirations and improve their peoples living standards. Notwithstanding this India will hesitate submit question Indochina UN because (one) France as permanent member SC could veto any action contrary French interests and (two) GOI not convinced Vietnam exercises de facto authority Indochina or, in contrast Indonesia, it represents viewpoint majority Indochinese. For time being India's sympathy Indochinese aspirations will take negative forms such as refusing permit India be used as base French operations in Indochina and GOI will not take positive steps toward intervention. Lastly India would not like submit Indochinese question UN as long as GOI ~~GOI~~ dispute regarding Kashmir under consideration by UN.

"Embassy feels that above represents true picture of External Affairs Ministry's attitude. This attitude, however, subject to reversal in case Nehru becomes imbued with feeling that French oppressing Indochinese in view his frequent emotional approach such problems. Extremely unlikely India will take any action regarding Indochina until decision re dispute with Pakistan handed down by UN."

8519.00/1-2948

CS/A

REBUTION-  
ESTIRED

MARSHALL

*Marshall*

- ✓ At ~~Paris~~ Bangkok, London, Moscow, Nanking, Paris, Saigon, and Hanoi.
- ✓ Pandit Jawaharlal Nehru, Indian Prime Minister.

SECRET

DEPARTMENT OF STATE

Washington

AMCONSUL

Control 470

SAIGON  
21

February 3, 1948 7 p.m.

Mil Attache Bangkok reports Pham Ngoc Thach one of Ho Chi Minh's chief lieutenants in course recent visit (1) said he departing for India 29 Jan with petition signed by Ho Chi Minh requesting UN intervention (2) confirmed suspicion previously voiced by AMER correspondent of imminent offensive which certain involve fighting in city Saigon.

Sent Saigon as 21 ; rptd New Delhi as 79 .  
Saigon repeat Hanoi.

MARSHALL

Colonel Reginald F. C. Vance

"President of the Provisional Government of Vietnam Democratic Republic."



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INCOMING TELEGRAM

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Control 5884

Rec'd February 19, 1948  
12:03 p.m.

FROM: Hanoi  
TO: Secretary of State  
NO: 31, February 19, Noon

Re APF story February 17 Cannes that Bao Dai had postponed departure Hong Kong for indefinite period, usually reliable Vietnamese source gives following summary recent events.

At Bai dalong conference December with Bollaert, Bao Dai signed accord of two articles: (1) France recognizes independence and unity Vietnam; (2) once independent, Vietnam will freely adhere to French union. When General Xuan, Tran Van Ly, and Diem (who according this source continues as "eminence grise" Nationalist) met Bao Dai Hong Kong after Bai dalong conference, Diem persuaded Bao Dai signature of above accord was tactical error, that Vietnam should only bind itself to France by alliance, not French union. (To what extent this position taken for bargaining purposes not clear). Finally decided best method of allowing Bao Dai withdraw gracefully from commitment was to take position he signed only as individual, not for his people, then have "assembly of notables" call for his return Indochina as emperor of state freely allied with France.

This strategy now being applied. Bao Dai, who anticipated failure Geneva conversations, intends for present to remain France where he can deal directly with Bidault, Schuman in preference Bollaert. Meanwhile opening gun in preparation public opinion for calling "assembly

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-2- #31, February 19, Noon, from Hanoi

of notables" by General Xuan was article by Nzuyen Phan Long in Saigon journal ECHO DU VIETNAM of February 17, demanding representation all groups including "resistants." Hanoi's THODISU, which in November sabotaged Xuan's proposals for assembly of "hommes distingues," will beat drums here and Tran Van Ly's paper in Hue.

Appears Bao Dai aware of fact recent French promises local population re his early return, combined with lack of French success in military operations, have strengthened his bargaining position.

Repeat to Paris; sent Saigon

RENDALL

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INCOMING TELEGRAM

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Control 3885  
Rec'd May 12, 1948  
9:14 p.m.

FROM: Paris  
TO: Secretary of State  
NO: 2567, May 12, 6 p.m.

Baeyens has informed me that French Government has authorized Bollaert to approve formation provisional Vietnam government headed by Xuan but to insist that seat of government be located at either Hanoi or Hue and not at Saigon. Bollaert-Xuan negotiations will be conducted on basis Bay of Along protocol which Xuan will countersign. Bao Dai will countersign agreement reached with Xuan.

Baeyens stated Foreign Office was not optimistic as to extent popular support provisional government could achieve and expressed hope that representatives from Annam and Tonkin would be of sufficient stature to offset at least in part government's being characterized as French puppet.

He had no information other than press report of early Bao Dai-Bollaert meeting and Bao Dai's visit to Europe Foreign Office endeavoring to block latter which they consider could only lend support to charges of puppet government.

Department pass Saigon as No. 18.

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DEPARTMENT OF STATE

INCOMING TELEGRAM

Control 9859

Rec'd May 29, 1948  
8:22 a.m.

FROM: Nanking  
TO: Secretary of State  
NO: 971, May 29, 10 a.m.

Responsible Foreign Office officials states that according to Chinese information very little enthusiasm had been aroused among Indochina natives by news of formation of government by General Nguyen Van Xuan. He expressed doubt that much more result would be obtained by new group than was attained by local administrative committees, unless Bao Dai came back. He believed Bao Dai was adopting wait-and-see attitude and that his decision whether to return would wait upon signs of favorable reaction to government by native elements. Upon being questioned, officials said latter point would in his view be more important with Bao Dai than question of independence; that Bao Dai would himself in the end accept about what Bollaert has already offered (given appearance of popular support) despite counsel of most his advisers to hold firm for independence, and this even though he incurred risk of playing role of Henry Pu Yi for French. He said Bao Dai's supporters are insisting more strongly on foreign policy independence, being less intractable on question of military control, probably in realization that native levies would be incapable for some time of putting down any continuing internal revolt.

While all Chinese elements are not one on line of action to be followed in Indochina, Foreign Office itself seems to distrust Bao Dai, viewing him as possible vehicle for restoration French prewar status. At same time many officials plainly give evidence Chinese wish to keep on friendly terms with Ho Chi Minh. As indicated in EMBTEL 251, February 12, 1947, Chinese problem is to channel and in time capture or at least hold veto over power

elements in

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-2- #971, May 29, 10 a.m.

elements in Indochina. Thus nationalism suits them, as does Ho Chi Minh with his galvanizing political force. Their expectation is that Indochinese political groups, with their rivalries and easy realignments, will provide their own equipoise, if the French do not have the final word. Chinese have no illusions as to Communist bent of many of Ho's followers and possibly Ho himself. They would expect to be in a position to intervene, with the Communist menace as a pretext, if a decisive Red coup took place; moreover, they would probably attempt to take some steps toward intervention immediately (especially in Tonkin) if a Communist coup took place in France (this threat has, of course, diminished recently). Finally, if the Chinese Government itself is further weakened or possibly driven southward, the Chinese may not impossibly feel that the US will not in its own interests allow such a strategic area to fall to Communism and will necessarily come to the rescue.

Department repeat Paris, Saigon and Hanoi, pouched Hong Kong.

STUART

NOTE: Relayed to Paris, Saigon and Hanoi at 11 a.m.  
May 29. F.M.H.

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INCOMING TELEGRAM

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Control 3213  
Rec'd June 9, 1947  
2:47 p.m.

FROM: Paris  
TO: Secretary of State  
NO: 3063, June 9, 5 p.m.

US URGENT.

Baeyens has informed Embassy that prevailing opinion in French Government circles is that Xuan Government has only dubious chance of success and that best indication its viability will be extent decrease in guerrilla activities during next month. States both Foreign Office and Overseas France would welcome changes in Provisional Government giving it a more representative character, as for example, replacement of Xuan by Diem. He added that Bao Dai who dislikes Xuan has repeatedly stated Provisional Government would remain in power only long enough to "secher les murs."

Commenting on Bay of Along agreement, which had previous approval of French Government (Saigon's 130, June 7, to Department, 34 to Paris), Baeyens stated referendum in Cochin China was prerequisite to Assembly approval of change in status which would undoubtedly be vigorously opposed by Gaullists (my 3006, June 7). (Baeyens spent three hours with D'Argenlieu yesterday in discussion devoted primarily to means of protecting French interests in Cochin China.) In addition to published text there is secret annex which Baeyens describes as "neither more nor less" than Bay of Along protocol of last December. Implementing arrangements called for in paragraph 3 of agreement (text in immediately following cable) must be "negotiated from scratch," according to Baeyens who envisages conference similar Dalat or Fontainebleau.

Bollaert returns to Paris about June 20 in order confer with Coste-Floret before latter's departure for Madagascar June 23. Baeyens does not believe

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-2- #3063, June 9, 5 p.m., from Paris

he will return Indochina. Baeyens gives as principal reason other than personal for Bao Dai's forthcoming European visit his desire to remove himself from Far East during difficult period of establishment of Provisional Government and negotiations with France.

Department pass Saigon as 23.

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Form D-302  
(7-2-43)

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*Handwritten marks:* X, DCR, file

Office of  
Control 7567  
Rec'd June 22, 1948  
7:01 a.m.

Action: FR  
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FROM: Nanking  
TO: Secretary of State  
NO: 1116 June 22, 4 p.m.

US URGENT

Embassy officer had suggested casually to Vice Foreign Minister that inquiry regarding Communist affiliation Ho Chi Min (reference DEPTEL 879 June 15) might have arisen from desire of Foreign Minister to have fullest available information this subject for Legislative Yuan interpellations. Dr. Yeh said however that information was desired for general background purposes and not for specific occasion.

Chinese desire to have our precise views on this point probably arises from fact that, in view of our quarantine-Communist policy, these views would serve as a valuable indicator of our basic attitude and ultimate policy vis-a-vis Viet Minh movement and this provides Chinese with a landmark for their own fluid policy there. Embassy sees no reason why such overt indicator should be furnished Chinese (unless of course Department has own reasons for doing so) and it is suggested that a reply of general and tentative character would be adequate. Embassy officer has already suggested to Dr. Yeh that as compared to US the Chinese authorities have had at least as full, and in the past much fuller, opportunity to determine Ho's political views and affiliations, fact being cited that Ho worked closely with the Chinese military at Kweilin during latter part of war.

As regards query about Xuan Government Foreign Office doubtless moved by anxiety that we would accord that regime a form of token recognition without prior consultation with

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125

DIVISION OF SOUTHEAST  
ASIAN AFFAIRS  
JUN 22 1948  
OFFICE OF FAR  
EASTERN AFFAIRS  
DEPARTMENT OF STATE

*Handwritten notes:* Reply, 1948, 6/24/48

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*Vertical handwritten note:* 651 2:01/6.22.48



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-2- 1116 June 22, 4 p.m., from Nanking.

Chinese. They have also probably heard reports which have been spread by some French official that we have given an approving nod to the French-Bao Dai attempt to form a government and wished to have notice of our intentions and if possible forestall any unilateral move for recognition on our part. Incidentally British Embassy states Foreign Office has not queried it about British consuls attendance at installation ceremony.

STUART

EOC:RCV

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7-10-46

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Department of State

Charge to

Washing **SECRET**

**SECRET**

5 P.M.

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AMEMBASSY

NANKING

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8519.01/6.22

JUL 2 1948

Reembstel 1116 Jun 22

x R 8519.00 B

1. Depts info indicates that Ho Chi Minh is Communist. His long and well-known record in Comintern during twenties and thirties, continuous support by French Communist newspaper "Humanite" since 1945, praise given him by Radio Moscow (which for past six months has been devoting increasing attention to Indochina) and fact he has been called "leading communist" by recent Russian publications as well as Daily Worker makes any other conclusion appear to be wishful thinking.

2. Dept has no evidence of direct link between Ho and Moscow but ~~inclined to believe it could exist,~~ <sup>assess it exists</sup> nor is it able evaluate amount pressure or guidance Moscow exerting. We have impression Ho must be given or is retaining large degree latitude. ~~Dept inclined believe, however, that Russians at least to present have subordinated their aim of communist dominated state in SE to assisting Communist Party gain power in France.~~ Dept considers that USSR accomplishing its aims in Indochina by (a) pinning down large numbers of French troops; (b) causing steady drain

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upon French economy thereby tending retard recovery and dissipate ECA assistance to France, and (c) denying to world generally surpluses which Indochina normally has available thus perpetuating conditions of disorder and shortages which favorable to growth communism. Furthermore, Ho seems quite capable of retaining and even strengthening his grip on Indochina with no outside assistance other than continuing procession of French puppet govts.

3. Dept considers Xuan govt has popular support comparable to that of Thinh govt in Cochinchina during latter half 1946.

4. Consul Hanoi was given no instructions re his attendance proclamation Xuan govt as Dept preferred rely his judgment this matter. Assumably he attended in response official invitation French authorities whose sovereignty over Indochina we recognize. Embs might observe to Fonoff that Chin Con Gen Saigon for past two years has been attending official ceremonies of govt autonomous republic Cochinchina and later Govt South Vietnam.

5. For urinfo only, Hanoi has reported that absence Chin representation Hanoi installation ceremonies was form of protest against French reestablishment Chinese congregations a situation

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a situation in which Dept does not wish become involved  
this juncture.

Dept concurs that approach to Chinese should be governed  
by considerations outlined in second para reference telegram.  
While details above are for info only, Embs authorized in  
its discretion make general statement to Fonoff.

MARSHALL

*Marshall*

(10)

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6/24/48

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JUL 2 1948

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Department of State

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Charge to

U.S. URGENT  
AMEMBASSY,

Washington  
TOP SECRET

Classification approved by:

W.W. P.M.  
CONTROL

907

PARIS.

FOR WALLNER.

JUL 3 1943

Dept considering ways of implementing recommendations contained in final para Saigon's tel 150 Jun 30 to Dept rptd Paris as 40, and it appears desirable that with Emb, you consult informally with French officials, particularly Bollaert, as to points 1 and 2 below. Please comment on these as well as remaining points.

1) Daridan has informally stated to Dept officer that in his opinion Assembly would not ~~not~~ have to ratify Baie d'Along agreement. He pointed out, however, that definite agreement covering points mentioned in para 3 that document would assumably have to be so ratified. Dept inclined believe French Govt would have to give, however, public evidence that it backed Bollaert's signature of agreement. Pls report current French thinking this question.

2) In event Daridan's interpretation correct, Dept believes that only measure which French Govt would have to submit for approval Assembly would be question of change of status Cochinchina to allow Quote union three kys Unquote to be achieved by Vlets as stated Jun 5 agreement. Would such

Woodruff Wallner, recently Associate Chief of the Division of Western European Affairs, was appointed First Secretary of the Embassy in France on July 21; he was on a visit to Paris.

Not printed.

Counselor of the French Embassy.

8516.01/6-3048  
R/M/S

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-2- TOP SECRET

such move by Schuman Govt precipitate crisis? Is there any possibility that Communists might support such a measure or at least abstain from voting against it, as their line has consistently favored Quote Union of 3 kys Unquote?

3) How can approach to French best be made? In respect Baeyens' views (Embstel 3453 Jun 30) <sup>✓</sup> and rptd statements of Daridan that he does not believe Schuman gov't would risk its political life to bring question before assembly, Dept believes that if desired results to be obtained, it must be done at highest level; i.e. Schuman, Bidault and Coste-Floret in spite latter's recent statement to Assembly (Embstel 3155 Jun 15) <sup>✓</sup> paralleled of course by high level approach to Bonnet <sup>✓</sup> in Washington.

4) Should approach, if made, be confined for present only to change in status Cochinchina? In this connection, what is best timing?

5) What concessions are judged necessary to give plan fair start?

Dept cognizant of fact that fighting in Indochina has now continued for almost three years; that we believe given

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- ✓ Robert Schuman, French Prime Minister, President of the French Council of Ministers (premier).
- ✓ Not printed.
- ✓ Henri Fonnnet, French Ambassador.

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Washington

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present world political and economic conditions, French simply do not have and have no prospect of amassing sufficient strength Indochina reach mil solution; that instead of being element strength to France, Indochina since war, at present, and for foreseeable future, unless situation changes radically, will remain grievously costly enterprise weakening France economically and all west generally in its relations with Oriental peoples.

In our view, continuation of parade puppets such as French have produced over past two years will strengthen hand Ho Chi Minh and may well insure eventual emergence of state probably dominated by communists and almost certainly oriented toward Moscow. It is to avoid such eventuality that we consider it of highest importance that present so-called central government, or in fact any non-communist government, be given every chance to succeed by the granting to it of such concessions as will attract greatest possible number of non-communist elements.

No action

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Department of State

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Charge to

Washington

-4-

~~TOP SECRET~~

No action contemplated pending your return Washington.  
Sent Paris as 2466, repeated Saigon as 108.

*Marshall*  
~~(w w r)~~

MARSHALL

~~ASST. IN CH. DESK~~

~~1948 JUL 5 PM 12 44~~

~~DCI~~

CODE ROOM: Pl rpt above message in its entirety to  
Saigon as 108.

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7/2/48

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*TG*  
*EB*

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CF VARIANCE



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851G.01/7-948: Top Secret File

DEPARTMENT OF STATE  
INCOMING TELEGRAM

FROM: Paris

Rec'd July 10, 1948  
6:26 a.m.

TO: Secretary of State

NO: 3621, July 9, 7 p.m.

FROM WALINER

. . . . .  
Dept may wish instruct Embassy inform Schuman Govt from top level down of US conviction that France is faced with alternatives of unequivocally and promptly approving principle Viet independence within French union and union three KYS or losing Indochina. While immediate Assembly debate seems only solution, Embassy should be given discretion in applying pressure to avoid charge giving tactical advice on political maneuvers or becoming identified with maneuvers that may imperil govt.

Ambassador concurs.

CAFFERY

MJF:MW

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851G.01/7-948: Top Secret File

DEPARTMENT OF STATE  
OUTGOING TELEGRAM

AMEMBASSY,

July 14, 1948

PARIS.

2637

Dept approves line of action recommended last para EMBEL 3621 and wishes you proceed immediately to ascertain disposition Schuman Govt toward dealing with Indochina situation before Assembly adjournment. On basis your findings you should apply such persuasion and/or pressure as is best calculated produce desired result. In applying such persuasion and/or pressure you may in your discretion convey to Schuman Govt that once Baie d'Along agreement together with change in status Cochinchina approved, Dept would be disposed consider lending its support to extent publicly approving French Govt's action as forward looking step toward settlement of troubled situation Indochina and toward realization of aspirations Vietnamese people. It appears to Dept that above stated US approval would materially assist in strengthening hands of nationalists as opposed to communists in Indochina. Keep Dept closely informed.

MARSHALL

WE:WWallner  
SEA:CSReed

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PREPARING OFFICE  
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Washington

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7190

JUL 29 1948

AMEMBASSY,

PARIS.

2891

*8517.00/7-2848*

Please ascertain Bollaert's reaction to points made by Marie and Coste-Floret (EMBTEL 3934). They appear to be evading central issue of Cochinchina whose status as French Colony cannot be altered except by law of Assembly. Unless this status is definitively altered Baie d'Along agreement is in effect nullified. Saigon's 42 July 6 to Paris pertains.

Sent Paris as 2891 ; rptd Saigon as 123.

*Marshall*  
MARSHALL

1948  
JUL

8516.00/7-2848

*T-155*

CS/A

- ✓ July 28, not printed.
- ✓ See telegram 155, ante, p.

~~Andre Marie, French Prime Minister President of the French Council of Ministers (premier).~~

SECRET

DEPARTMENT OF STATE

INCOMING TELEGRAM

Control 1771

Rec'd August 6, 1948  
12:43 a.m.

FROM: Paris  
TO: Secretary of State  
NO: 4034, August 5, 8 p.m.

Bollaert is of opinion (DEPTEL 2891, July 29) that President French Union may legally ratify Baie d'Along agreements but that change in status Cochinchina requires Assembly action. He maintains that he will not return to Saigon unless there is an Assembly debate on government's policy in Indochina and approval of Baie d'Along agreements and change in status Cochinchina.

Baeyens, DeLavignette and Moutet share Bollaert's views. All consider that regardless of legal considerations, failure by Assembly to meet issue squarely will have practical effect of arousing such mistrust in Indochina as to nullify completely such progress as has been made.

In last night's session of Assembly, Frederic DuPong (PRL) introduced motion calling for discussion Indochina prior to adjournment for summer. Despite request by Ramadier that motion be withdrawn "as it deals with subject too delicate for government to undertake without prudence and without a full review of all aspects of the situation." Motion was carried by narrow vote 288 to 286. Date of debate will be set by conference of presidents.

Sent Department 4034, repeated Saigon 36.

CAPPERY

Governor-General Robert Delvignette was head of the political section of the French Ministry of Overseas Territories.

Marius Moutet was French Minister of Overseas Territories from January 26, 1946 to November 24, 1947.

Paul Ramadier was President of the French Council of Ministers in 1947.

SECRET

OUTGOING TELEGRAM

DEPARTMENT OF STATE  
Washington

Control 6489

AMCONSUL

August 27, 1948

SAIGON, FRENCH INDOCHINA  
136

Bollaert's position as expressed in Paris tel 4384  
Aug 24 to Dept (rpt Saigon as 48) unclear. Dept notes  
(pgh 7) Bollaert believes as QUOTE INNERQUOTE it  
becomes apparent that Bao Dai has been able to achieve more  
by negotiations than Ho has or will be able to achieve by  
force of arms END INNERQUOTE there will be increasing tendency  
in ranks of non-Communist elements of Viet Minh to switch  
over. UNQUOTE It not clear how Bao Dai can show he has  
gained more from France by negotiation than Ho has or will  
gain by force arms when French no prepared to maky any  
QUOTE irrevocable commitments UNQUOTE (pgh 6) to Bao Dai or  
any provisional govt of which he may form part as High Com-  
missioner states (pgh 5) that such govt will remain provi-  
sional until peace restored sufficiently to permit popular  
referendum on permanent form govt.

Abbott might see Bollaert (who reportedly left Paris  
Aug 26 for Saigon) and attempt clarify ambiguities his state-  
ment to Embassy. At that time, you may wish point out that  
it difficult see how course action he proposes will in

absence

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OUTGOING TELEGRAM

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Charge Department

Charge to

Department of State

Washington

SECRET

SECRET

absence firm commitments by France ~~Gispell~~ Vietnamese  
distrust of French, split off adherents of Ho, or materially  
reduce hostilities.

as 136;  
Sent Saigon/repeated Paris as Airgram

Marshall

MARSHALL

~~CODE ROOM: Please send to Saigon as Dept's 136 and  
repeat to Paris as Dept's Airgram~~

FE:SEA:JCO Sullivan:vs

SEA

FE

WE

(Cleared with Mr. O'Shaughnessy)

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Department of State

OUTGOING TELEGRAM

SECRET

AMEMBASSY,

AUG 30 1948

PARIS.

3368

Dept concurs views Saigon's 188 Aug 28 similar those Deptel 136 Aug 27 to Saigon (rpt Paris as agam). Dept appreciates difficulties facing any French Govt taking decisive action vis-a-vis Indochina but can only see steadily deteriorating situation unless more positive approval Baie d'Along Agreement, enactment legislation or action permitting change Cochinchina status, and immediate commencement formal negotiations envisaged that Agreement. Dept believes nothing should be left undone which will strengthen truly nationalist groups Indochina and induce present supporters Viet Minh come to side that group. No such inducement possible unless that group can show concrete evidence French prepared implement promptly creation Vietnam as free state associated French Union and with all attributes free state. When you deem appropriate please point out to French Govt Dept's views regarding Indochina and repeat Dept's readiness publicly approve French Govt action along above lines which will assist bringing about solution of Indochina problem. In foregoing connection you might refer substance second para Deptel 3331 AUG 26.

MARSHALL

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140

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Department of State

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Washington PLAIN

CONTROL

4736

AMCONSUL

SEP 22 194

SAIGON, Indochina

149

Text statement re Dept spokesman Sept 16

response pertinent questions <sup>QTE</sup> Dept has watched closely rapid increase of Communist activity which has taken place in southeast Asia since early this year and has naturally taken this development into consideration in determining its course of action. Results of these activities in Burma, Malaya, Indochina and Indonesia have been reported by press as they occurred from time to time and need not be reviewed. However, little attention has been directed toward one major strategem employed by Communists in dependent areas of southeast Asia. To win support and allies in their drive for power, Communist leaders have consistently pretended to champion cause of local nationalists and have attempted to identify communism with nationalism in minds of people of area. This scheme worked well, at least until Cominform's denunciation of Yugoslav Communist leaders as being, among other things, guilty of nationalism. There is some evidence that sincere nationalist leaders in southeast Asia, originally deceived by this device, have now awakened to fact that, in Communist controlled states outside

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10/20/48

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OUTGOING TELEGRAM

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Charge to

Washington  
PLAIN

outside Soviet Union, nationalism to which they aspire  
is regarded as a high crime and grounds for ruthless in-  
terference in internal affairs of such states by inter-  
national Communist organizations UNQTE Sent Saigon ✓ rptd  
Hanoi SINGAPORE ✓

*Lowery*  
*(1170)*

~~CODE ROOM: Send Saigon as 149 RPT Hanoi as 45  
and Singapore as 151~~

- ✓ As 149.
- ✓ As 45 and 151.

SECRET

Box 284  
4

POLICY STATEMENT

INDOCHINA



DEPARTMENT OF STATE

September 27, 1948

SECRET

Executive Secretariat Files, Lot 57 D-649

Department of State Policy Statement on Indochina, September 27, 1948

SECRET

#### A. OBJECTIVES

The immediate objective of US policy in Indochina is to assist in a solution of the present impasse which will be mutually satisfactory to the French and the Vietnamese peoples, which will result in the termination of the present hostilities, and which will be within the framework of US security.

Our long-term objectives are: (1) to eliminate so far as possible Communist influence in Indochina and to see installed a self-governing nationalist state which will be friendly to the US and which, commensurate with the capacity of the peoples involved, will be patterned upon our conception of a democratic state as opposed to the totalitarian state which would evolve inevitably from Communist domination; (2) to foster the association of the peoples of Indochina with the western powers, particularly with France with whose customs, language and laws they are familiar, to the end that those peoples will prefer freely to cooperate with the western powers culturally, economically and politically; (3) to raise the standard of living so that the peoples of Indochina will be less receptive to totalitarian influences and will have an incentive to work productively and thus contribute to a better balanced world economy; and (4) to prevent undue Chinese penetration and subsequent influence in Indochina so that the peoples of Indochina will not be hampered in their natural developments by the pressure of an alien people and alien interests.

#### B. POLICY ISSUES

To attain our immediate objective, we should continue to press the French to accommodate the basic aspirations of the Vietnamese: (1) unity of Cochinchina, Annam, and Tonkin, (2) complete internal autonomy, and (3) the right to choose freely regarding participation in the French Union. We have recognized French sovereignty over Indochina but have maintained that such recognition does not imply any commitment on our part to assist France to exert its authority over the Indochinese peoples. Since V-J day, the majority people of the area, the Vietnamese, have stubbornly resisted the reestablishment of French authority, a struggle in which we have tried to maintain insofar as possible a position of non-support of either party.

While the nationalist movement in Vietnam (Cochinchina, Annam, and Tonkin) is strong, and though the great majority of the Vietnamese are not fundamentally Communist, the most active element in the resistance of the local peoples to the French has been a Communist group headed by Ho Chi Minh.

This group has successfully extended its influence to include practically all armed forces now fighting the French, thus in effect capturing control of the nationalist movement.

The French on two occasions during 1946 attempted to resolve the problem by negotiation with the government established and dominated by Ho Chi Minh. The general agreements reached were not, however, successfully implemented and widescale fighting subsequently broke out. Since early in 1947, the French have employed about 115,000 troops in Indochina, with little result, since the countryside except in Laos and Cambodia remains under the firm control of the Ho Chi Minh government. A series of French-established puppet governments have tended to enhance the prestige of Ho's government and to call into question, on the part of the Vietnamese, the sincerity of French intentions to accord an independent status to Vietnam.

#### 1. POLITICAL

We have regarded these hostilities in a colonial area as detrimental not only to our own long-term interests which require as a minimum a stable Southeast Asia but also detrimental to the interests of France, since the hatred engendered by continuing hostilities may render impossible peaceful collaboration and cooperation of the French and the Vietnamese peoples. This hatred of the Vietnamese people toward the French is keeping alive anti-western feeling among oriental peoples, to the advantage of the USSR and the detriment of the US.

We have not urged the French to negotiate with Ho Chi Minh, even though he probably is now supported by a considerable majority of the Vietnamese people, because of his record as a Communist and the Communist background of many of the influential figures in and about his government.

Postwar French governments have never understood, or have chosen to underestimate, the strength of the nationalist movement with which they must deal in Indochina. It remains possible that the nationalist movement can be subverted from Communist control but this will require granting to a non-Communist group of nationalists at least the same concessions demanded by Ho Chi Minh. The failure of French governments to deal successfully with the Indochinese question has been due, in large measure, to the overwhelming internal issues facing France and the French Union, and to foreign policy considerations in Europe. These factors have combined with the slim parliamentary majorities of postwar governments in France to militate against the bold moves necessary to divert allegiance of the Vietnamese nationalists to non-Communist leadership.

In accord with our policy of regarding with favor the efforts of dependent peoples to attain their legitimate political aspirations, we have been anxious to see the French accord to the Vietnamese the largest possible degree of political and economic independence consistent with legitimate French interests. We have therefore declined to permit the export to the French in Indochina of arms and munitions for the prosecution of the war against the Vietnamese. This

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policy has been limited in its effect as we have allowed the free export of arms to France, such-exports thereby being available for re-shipment to Indochina or for releasing stocks from reserves to be forwarded to Indochina.

## 2. ECONOMIC

Indochina's trade with the United States before the war was relatively small as the greater part of its commerce was carried on with France and the French Empire duty free. Indochina now enjoys a limited customs autonomy, and the US should be able to compete more successfully with France.

American investment in Indochina has also been of minor importance in part at least because there has been no treaty basis for the protection of American interests there as activities in certain business lines are prohibited or can be conducted only with the consent of the French authorities.

Should a political solution satisfactory to the French and the Vietnamese be reached leading to the establishment of peaceful conditions within the area, the US should endeavor to have the General Agreement on Tariffs and Trade made effective in Indochina and to make an arrangement which would afford protection for American enterprise there. The increased trade and investment in Indochina which might result from these measures would tend to raise the level of economic activity and standard of living.

We do not wish to press for these matters, nor to develop a long-term financial or economic policy in the area, until such time as a political solution, such as may terminate in large measure the present hostilities, has been achieved.

With respect to the important question of whether ECA assistance should be extended to the area, we have informed the French that because reconstruction and development of Indochina is impossible under the present conditions of warfare which pertain there, no direct ECA financing for Indochina will be forthcoming at present although French requirements will be readjusted accordingly. We have indicated informally our willingness to reconsider the question should conditions change.

As regards French claims for Japanese reparations on behalf of Indochina, we have taken the position in the Far Eastern Commission (FEC) that France should receive two percent of the total amount of reparations which may be determined to be available. While most FEC countries feel that the proposed share is too large, in view of the French wartime performance in Indochina, we have indicated a willingness to allow the French an additional one half of one percent. France presumably would also be eligible for a prorata share (or a portion to be determined by negotiation) of the 18 of our 28 percent of total reparations which we have proposed to make available to such FEC countries as accept our schedule for reparations distribution. This question remains unsettled. We have not allowed the French a portion of the advance transfers within the interim reparations program.

We have under consideration a French claim to gold valued at 37.5 million dollars earmarked for Japan in Indochina. The gold represents the settlement of certain trade balances between Indochina and Japan and of Japanese local

currency requirements during the period August 1940 to March 9, 1945. Since the earmarking of the gold transferred title to Indochina and since there are no general considerations of equity or public policy of a sufficiently compelling nature to justify withholding recognition of title thus transferred, the tentative position of the Department is that SCAP deliver the gold to Indochina unless an early FEC policy decision precludes such action.

### C. RELATIONS WITH OTHER STATES

The French, whose policy since the Japanese surrender has been a failure with regard to the Vietnamese, have made some progress in normalizing their relations with Cambodia and Laos. Both these Indochinese protectorates have now been formally admitted as "associated" states to the French Union. The peoples of both these protectorates have been allowed some degree of autonomy, which apparently satisfies them for the present. Unquestionably, however, the current *modi vivendi* will be altered by any French settlement with the Vietnamese which gives the latter more autonomy than now possessed by the Laotians and Cambodians.

The most recent French attempt to resolve the question resulted in the June 5 Baie d'Along Agreement between the French High Commissioner of Indochina and General Nguyen Van Xuan, head of the Provisional Central Government of Vietnam, and countersigned by the former Emperor of Annam, Bao Dai. In this agreement, France recognizes the independence of Vietnam, whose responsibility it will be to unite the three Vietnamese provinces of Indochina, with only such limits as are imposed by its membership in the French Union to which it freely declares its adherence. Further negotiations to fix relationships of France and Vietnam are provided by the agreement which must now be ratified by the French Assembly, particularly as it relates to a change in the status of Cochinchina, now a French colony, to permit its union with Annam and Tonkin.

As regards international conferences, the US, as it recognizes French sovereignty over Indochina, has upheld the right of France as a metropolitan power to submit the applications for associate membership in ECAFE of its dependent areas in Indochina.

French relations with the Siamese Government have improved since the November coup d'etat of Field Marshal Phibun. Phibun apparently has given assurances to the French that he has accepted the solution of the recent Siamese-Indochinese border dispute. He has furthermore taken limited measures designed to reduce the activity of Indochinese elements in Siam hostile to the French.

Chinese relations with Indochina, based upon a 1946 treaty which confers substantial benefits upon the Chinese in the peninsula, are largely determined by the needs and interests of the commercially and economically powerful Chinese overseas community in Indochina, numbering almost one million. On the surface, Chinese official relations with the French officials have been

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correct although signs of tension develop from time to time. The Chinese have pressed the French to indemnify Chinese who have suffered property loss in Indochina's fighting. The Kuomintang has striven to maintain a tight control over the Chinese community through consular representation, while the French have endeavored to reestablish the situation of pre-war years wherein the French authorities successfully maintained a degree of control over Chinese within Indochina.

The Chinese, however, have also tried to protect the several hundred thousands of their fellowmen who live in territory not under French control. There have been contacts between Ho's agents and Chinese government officials which apparently resulted in Chinese tolerance of a munitions traffic from China to the benefit of the Ho government. French efforts to enlist Chinese support in Kwangsi and Kwangtung to suppress Chinese bandit and Communist bands which cross the Indochinese border have not been successful despite an agreement in principle.

An increasing Soviet interest in Indochina, as demonstrated by a step-up in radio broadcasts, was evidenced in the first half of 1948. The line taken by these broadcasts has been constantly to discredit the United States by attempting to identify it with "imperialistic France." There continues to be no known communication between the USSR and Vietnam, although evidence is accumulating that a radio liaison may have been established through the Tass agency in Shanghai.

#### D. POLICY EVALUATION

The objectives of US policy towards Indochina have not been realized. Three years after the termination of war a friendly ally, France, is fighting a desperate and apparently losing struggle in Indochina. The economic drain of this warfare on French recovery, while difficult to estimate, is unquestionably large. The Communist control in the nationalist movement has been increased during this period. US influence in Indochina and Southeast Asia has suffered as a result.

The objectives of US policy can only be attained by such French action as will satisfy the nationalist aspirations of the peoples of Indochina. We have repeatedly pointed out to the French the desirability of their giving such satisfaction and thus terminating the present open conflict. Our greatest difficulty in talking with the French and in stressing what should and what should not be done has been our inability to suggest any practicable solution of the Indochina problem, as we are all too well aware of the unpleasant fact that Communist Ho Chi Minh is the strongest and perhaps the ablest figure in Indochina and that any suggested solution which excludes him is an expedient of uncertain outcome. We are naturally hesitant to press the French too strongly or to become deeply involved so long as we are not in a position to suggest a solution or until we are prepared to accept the onus of intervention. The above considerations are further complicated by the fact that we have an im-

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mediate interest in maintaining in power a friendly French government, to assist in the furtherance of our aims in Europe. This immediate and vital interest has in consequence taken precedence over active steps looking toward the realization of our objectives in Indochina.

We are prepared, however, to support the French in every way possible in the establishment of a truly nationalist government in Indochina which, by giving satisfaction to the aspirations of the peoples of Indochina, will serve as a rallying point for the nationalists and will weaken the Communist elements. By such support and by active participation in a peaceful and constructive solution in Indochina we stand to regain influence and prestige.

Some solution must be found which will strike a balance between the aspirations of the peoples of Indochina and the interests of the French. Solution by French military reconquest of Indochina is not desirable. Neither would the complete withdrawal of the French from Indochina effect a solution. The first alternative would delay indefinitely the attainment of our objectives, as we would share inevitably in the hatred engendered by an attempted military reconquest and the denial of aspirations for self-government. The second solution would be equally unfortunate as in all likelihood Indochina would then be taken over by the militant Communist group. At best, there might follow a transition period, marked by chaos and terroristic activities, creating a political vacuum into which the Chinese inevitably would be drawn or would push. The absence of stabilization in China will continue to have an important influence upon the objective of a permanent and peaceable solution in Indochina.

We have not been particularly successful in our information and education program in orienting the Vietnamese toward the western democracies and the US. The program has been hampered by the failure of the French to understand that such informational activities as we conduct in Indochina are not inimical to their own long-term interests and by administrative and financial considerations which have prevented the development to the maximum extent of contacts with the Vietnamese. An increased effort should be made to explain democratic institutions, especially American institutions and American policy, to the Indochinese by direct personal contact, by the distribution of information about the US, and the encouraging of educational exchange.

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OF THE  
UNITED STATES OF AMERICA

*Handwritten:* EIA

Air Mail

AMERICAN CONSULATE GENERAL

No. 195 NOV 30 PM 3 to Saigon, Indochina, November 5, 1948

SECRET

DEPARTMENT OF STATE  
Subject: Soviet Policy in Southeast Asia.

23  
THE HONORABLE  
THE SECRETARY OF STATE,  
WASHINGTON.

OFFICE OF EUROPEAN AFFAIRS  
DEPUTY DIRECTOR  
DEC 10 1948  
MR. THOMPSON  
DEPARTMENT OF STATE

*Handwritten:* 10/10/10-1348  
VR 7-1-93

I have the honor to refer to the Department's secret circular instruction of October 13, 1948, entitled "Pattern of Soviet Policy in Far East and Southeast Asia" and to submit certain comments, as requested by the Department.

Soviet policy in Indochina appears to follow in general the lines described in the final section of the instruction under acknowledgement but with certain minor variation. In general it may be said that Indochina presents an ideal picture from the point of view of Moscow. A small group of Moscow and Chinese trained Communists has firm control of the strong and deep seated native Nationalism. A native government under Communist direction controls considerable areas of the country and maintains an army sufficiently strong to pin down large French forces. The country has been kept in turmoil since the end of the war, making it a serious drain on the military and economic resources of France instead of a source of wealth. From the point of view of Moscow, prospects are excellent that Ho Chi MINH will eventually force the withdrawal of the French and set up the first "New Democratic Republic" in Southeast Asia. At the same time Communist control has been concealed and identified with Nationalism so successfully as to confuse and delude public opinion in France and the United States and thus gain the support of large Socialist and liberal groups in those countries.

In recent months particular emphasis has been placed on economic sabotage. This has included burning of rice mills and rubber warehouses in Saigon, and attacks on communications of all types, including railroads, road convoys and barge transport. This has been so successful that the movement of paddy and rice to Saigon-Cholon has practically ceased in recent weeks. Curiously enough there have been no serious attacks on the particularly vulnerable petroleum depots in Saigon and Haiphong nor have the larger rubber plantations been seriously disturbed.

The Communist led Vietminh has not yet adopted the violent anti-American line followed by most Communist parties throughout the world, although there are many indications that this is only

791.00/11-548

-CS/A-

on the surface and that the standard anti-American line is being distributed in directives to party leaders. No evidence has yet turned up that Ho Chi Minh is receiving current directives either from Moscow, China, or the Soviet Legation in Bangkok. It may be assumed that Moscow feels that Ho and his lieutenants have had sufficient training and experience and are sufficiently loyal to be trusted to determine their day-to-day policy without supervision.

Another factor peculiar to Indochina is the apparent quiescence of Communist elements among the resident Chinese colony. Not only are these believed by the Sureté to be relatively few in number, but any plans they may have had to emulate their comrades in Malaya have undoubtedly been hampered by the Sureté which has been quietly rounding up and deporting their leaders for several months. It may also be that Moscow feels that anti-Chinese feeling is so strong in the Vietnam that active cooperation of Chinese Communists with the Vietminh would furnish too valuable a propaganda weapon to the French.

Respectfully yours,

*George M. Abbott*  
George M. Abbott  
~~American Consul General~~

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Abbott:egb:jr



Department of State

OUTGOING TELEGRAM

SECRET

January 17, 1949  
6 p.m.

AMEMBASSY

PARIS

.145

Daridan has expressed to Dept same view contained penultimate para urtel 107 Jan 10 qualifying his remarks however with statement that he uninformed developments past ten days which might explain optimism Overseas France officials in urtel 106 Jan 10 re negotiations with Bao Dai.

While Dept desirous French coming to terms with Bao Dai or any truly nationalist group which has reasonable chance winning over preponderance of Vietnamese, we cannot at this time irretrevably [sic] commit US to support of native govt which by failing develop appeal among Vletnamese might become virtually puppet govt, separated from people and existing only by presence French military forces. Accordingly, Emb should make no additinal[sic] representations to French until and unless further instructed by Dept which does not believe it desirable go beyond position outlined Deptel 2637 July 14 its reftel 3621 July 9 from Paris and Embtel 5129 Sept 30.

Dept will inform Emb re possibility any common anti-Communist action Indochina (third para Embtel 107) after it has recd Brit views as Emb London reports Brit Fonoff has instructed Brit Emb Wash discuss matter with Dept.

LOVETT  
Acting

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MAY 2 1949

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SAIGON

70

In forthcoming difficult period Dept desires you guard carefully against any action which might be seized upon as premature endorsement or de facto recognition by US of Bao Dai or any regime he may establish. FR giving evidence pessimism re viability Bao Dai solution and Dept desires retain as much freedom of action re IC as possible without in any manner giving impression we oppose or wish to hinder ex-Emperor. Dept has already discussed informally with FR Emb (as well as Brit Emb here) desirability appropriate FR officials issuing to consular corps invitations to attend all ceremonies involving Bao Dai (fifth para urtel 92 Mar 29).

Dept wishes you and Gibson continue reporting situation as closely and well as you have in past.

*Handwritten initials: JG, LC*

ACHESON

*Handwritten signature: Acheson (R)*

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FE:SEA:JLO'Sullivan:vw 4-29-49

Cleared with WE Mr. Shaughnessy

SECRET

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MAY 2 1949

Corrections made on this original MUST be made on all copies before delivery to Telegraph Branch.

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CS/A

SECRET (R)

8519.01/5-249

Saigon, Indochina, May 5, 1949.

SECRET

Subjects: Transmitting Additional Copy of Papers on Indochina for  
New Delhi Conference

Action Assigned to \_\_\_\_\_  
Action Taken \_\_\_\_\_

Date of Action \_\_\_\_\_  
Action Office Symbol \_\_\_\_\_

Name of Officer \_\_\_\_\_

REC'D  
MAY 25

THE HONORABLE

THE SECRETARY OF STATE,  
WASHINGTON.

ACTION  
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NEA

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DCR  
EUR/X  
BY  
CLI  
USA  
PC5

SIR:

It was indicated at the New Delhi Foreign Service Conference that the Department would appreciate receiving any additional copies of the country papers that might be available. I accordingly have the honor to transmit one additional set on Indochina.

2/

There is also transmitted an additional supplement covering political developments in Indochina in February and March 1949 which was prepared by me while enroute to the Conference.

C

005637

As the Department is aware the Territorial Assembly discussed in this supplement was duly "elected" and voted on April 25, 1949, a resolution favoring unity of the Vietnam. However, the necessary action by the French Parliament to implement this recommendation has been unexpectedly delayed by the adjournment of the French Parliament until May 17. Instead of arriving in Saigon on April 25 as planned, Bao Dai landed April 28 by plane in Dalat where he will remain in a private capacity until the French Parliament has taken the expected action. The intervening period will be used by the Emperor to consult with political leaders, select his new government and make plans for the implementation of the March 8 Agreements. While the time will not be entirely wasted, it is nevertheless felt that the delay is extremely unfortunate. Not only has the psychological effect of Bao Dai's arrival in Saigon bringing unity and independence been largely dissipated, but the rapid progress of the Chinese Communists casts a lengthening shadow over Indochina, and every day of delay increases the difficulty of Bao Dai achieving his objectives.

3516.00/5-549

Respectfully yours,

George M. Abbott  
American Consul General

Enclosures:

- 1. Saigon Memo for New Delhi Conference
- 2. Annex No. 2 to Memo

Multilith to Department  
Copy to Embassy, Paris  
Copy to Am Consulate, Hanoi  
310

GMAbbott: jr

DIVISION OF SOUTHERN  
ASIAN AFFAIRS  
JUN 2 1949  
OFFICE OF FAR  
EASTERN AFFAIRS  
DEPARTMENT OF STATE  
SECRET  
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~~SECRET~~

American Consulate General,

Saigon, Indochina, March 31, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION I. POLITICAL SECTION

Annex No. 2

Developments in February and March 1949

Feverish negotiations went on in Paris during the month of February and the early days of March. They were almost broken off when Prime Minister QUELLE decided that for internal political reasons he could not live up to his earlier promise to present the proposed agreement to Parliament for ratification before Bao DAI's return. He felt that the only chance to obtain a favorable vote would be after the Emperor had returned and established a stable government which appeared to have a fair chance of winning the support of a majority of his people and restoring peace. Bao Dai finally accepted this but was adamant that the joining of Cochinchina to the Vietnam must be an accomplished fact before he arrived in Indochina.

Now difficulties arose over how this was to be accomplished. The quick and clear-cut way was to act under the paragraph of the French Constitution governing alienation or acquisition of French territory, and pass a law transferring the colony of Cochinchina to the state of Vietnam. However, it was argued, first that this would require a referendum of the people affected--impossible to hold under present conditions--and second, the proper method was to act under paragraph 75 permitting a change in status of parts of the French Union. This requires a vote by the French Assembly after a request from the Territorial Assembly. The constitutional experts argued that no proper assembly had ever been established in Cochinchina since the existing Assemblée de Sud Vietnam had been appointed and not elected. The Cabinet hurriedly drafted and submitted to the French Parliament a bill to set up a Territorial Assembly. This bill was jammed through the Assembly of the French Union, the French Assembly and the Council of the Republic in a week of all night debates. The Socialist Party's weakness for Ho Chi MINH and opposition to Bao Dai broke in the first debate and the government received heavy majorities from then on, only the Communists tenaciously opposing the bill.

The next steps are the "election" of the new assembly, a vote by it of a petition to change Cochinchina from a colony to an "Associated State" and to join the Vietnam, and then a new series of votes in the French Parliament to implement this. This must all be accomplished by April 25, the date set for the Emperor's return to Indochina. It is difficult to see how it can be done and a postponement of Bao Dai's arrival in Saigon can be anticipated.

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It should be mentioned that the necessity for this complicated (if it existed) has been little understood in Indochina by either French or Vietnamese and much additional mistrust and suspicion of French motives has been engendered. There has also been severe criticism of the make-up of the territorial assembly--the French claiming they will not be adequately represented (16 out of 64 members), and the Vietnamese protesting against any French representation at all.

When (and if) the above described process is completed, Bao Dai arrives in Saigon and the Auriol-Bao Dai agreement signed in Paris March 8, 1949, goes into effect, subject to future ratification. The text has not yet been published but a resume was given to the press after the exchange of letters and some additional details were revealed by the government during the debate in the Assembly and by High Commissioner PIGNON in a speech in Saigon on March 29.

It confirms the provisions of the Bai d'Along Agreement of June 5, 1948--unity and independence within the French Union, protection of French cultural and economic position and preference for French advisers and technicians--but apparently goes a considerable way in settling the many points left for future negotiation by that agreement. The Vietnam will have its own army under its own command except in time of war. France will receive military and naval bases with carefully defined rights of communication. The Vietnam will have its own diplomatic and consular service, but Vietnam missions will be restricted to three--Vatican, Siam and China. France will sponsor a demand for admission to UNO. French citizens will remain subject to French law. There will be an Indochinese custom's union and a joint currency tied to the franc. Economic and other matters affecting all of Indochina, including the thorny and important question of control of the Federal services--customs, railroads, postal service, aviation, highways, etc--are to be discussed at a conference of Cambodia, Laos and Vietnam in May or June of this year.

It is understood that the agreement contains many provisions distinctly favorable to the Vietnam which the French government preferred not to reveal prior to the Assembly debates and the national elections.

It is premature to discuss the prospects for success of the present plan before the text of the agreement has been carefully studied and until the arrangements for changing the status of Cochinchina have been successfully completed. (There are rumors circulating that the diehard colonialists in Saigon will attempt to rig the elections scheduled for April 10 with a hope to block the vote for autonomy or, more likely, the vote for union with the rest of the Vietnam in the hope of achieving their minimum objective of retaining an autonomous Cochinchina under French control.) Bao Dai must also form a government on his return with much more prestige and authority than the present XUAN regime.

However, if the full texts of the Agreement of March 8 and supplementary agreements for its implementation appear to contain a

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reasonable basis for satisfying the minimum demands of the Vietnamese nationalists, and if the other above-mentioned conditions are met, it is believed Bao Dai will have a fair chance to succeed in his plan to separate the non-Communist elements of the resistance from the Viet Minh. A loyal and liberal attitude by both sides during the critical period of change over from French to Vietnam administration will be a vital factor in determining the chances of success.

This raises the question of the attitude of the United States government towards the plan. It has been intimated to the French that when an agreement was reached in Indochina which appeared to meet the minimum demands of the Vietnam nationalists and to have a reasonable chance of succeeding, we would be prepared to indicate officially our approval and support, and to consider direct allocation of Marshall Plan funds to Indochina and perhaps other economic aid.

It is believed that this policy should be implemented at the earliest possible moment after the essential conditions mentioned in the previous paragraphs have been met. Naturally if Bao Dai fails after our support has been announced, the prestige of the United States suffers a serious blow. On the other hand, the lack of our support would be a heavy handicap which might well eliminate any chance of success. The alternatives to the Bao Dai solution are either continued costly colonial warfare or French withdrawal leaving a Communist-controlled government in a strategic area of Southeast Asia. Neither of these would appear to be to our interest.

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No. 34

~~SECRET~~ Saigon, Indochina, February 12, 1949.

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Subject: Transmitting Saigon Memoranda for New Delhi Conference

THE HONORABLE

THE SECRETARY OF STATE,  
WASHINGTON.

SIR:

I have the honor to refer to the Department's circular telegram of January 12, 1949, 3:00 a.m., and to transmit herewith five copies of the memorandum prepared by this office for the New Delhi Regional Foreign Service Conference. Copies have been forwarded to other interested posts as instructed.

Respectfully yours,

George M. Abbott  
American Consul General

Enclosure:

Memorandum on Indochina for  
New Delhi Foreign Service  
Conference, dtd Feb. 12, 1949

Original and ozalid to Department  
Copies to: Amembassy, Rangoon  
Amembassy, Cairo  
Amembassy, New Delhi  
Amembassy, Tehran  
Amembassy, Karachi  
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American Consulate General, Colombo  
American Consulate General, Bombay  
American Consulate General, Calcutta (2)  
American Consulate General, Madras  
American Consulate General, Batavia  
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American Consulate General, Singapore  
American Consulate General, Canton  
USPOLAD, Tokyo

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**SECRET** American Consulate General,

Saigon, Indochina, February 12, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION I. POLITICAL SITUATION

A. Internal Political Situation in the Vietnam

1. General Situation - Postwar developments in the Annamite provinces of Indochina, known as the Vietnam, are fundamentally similar to those in other parts of Asia in that they stem from a powerful upsurge of Nationalism. The Vietnam stands out from other regions in that Communism has gained control of the Nationalist movement and created a situation which is a classic example of the successful application of Communist strategy in a colonial area. A small Moscow and Chinese trained group has seized leadership and control of the strong and almost universally supported independence movement. The country has been kept in a state of strife and confusion for three years. One hundred thousand French troops are pinned down in Indochina and not available in Europe. The area is a serious drain on France's resources instead of a source of wealth and raw materials for France and the world. Finally there is a fair chance that the French may be driven out and the first Communist outpost in Southeast Asia established.

The French have belatedly come to a partial understanding of the situation with which they are faced and are endeavoring to create a non-Communist autonomous government under the leadership of former Emperor Bao DAI. They hope to retain the Vietnam within the nebulous French Union and maintain French military and economic positions.

2. Background - To understand how the present situation arose a brief review of the history of the colony is necessary. Indochina came under European domination considerably later than Indonesia, India, or the Philippines, the French first occupying part of Cochinchina in 1864. The area of this colony was expanded while protectorates were established over the remaining parts of the peninsula during subsequent years. The administration tended to become more centralized and eventually evolved into a tightly knit political and economic federation in which the rights and powers of the Emperor of Annam, King of Cambodia, and Princes of Laos had practically disappeared. There was little autonomy or self government even at the local level and little place for natives in the administration except in minor or essentially honorary posts.

The French are justly proud of the task which they accomplished in building roads and railroads, developing ports, converting the swamps of the Cochinchinese deltas into rice lands, and developing the mineral resources of Tonkin. They also made considerable progress in implanting the French language and culture through schools and the church. (There are about two million native Catholics in the Vietnam, nearly 10% of the population) Nearly all educated Annamese speak some French.

The occupation and pacification of the country was not accomplished without numerous revolts which were put down with great severity. The Nationalist movement, however, was never completely suppressed and

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developed particularly rapidly in the period between the two world wars. The Communists early became influential therein although never numerous. The Trotzkyist faction was strong and at one time controlled the Indo-chinese Communist party.

The shattering defeat of France by Germany and the immediately following Japanese occupation of Indochina dealt a severe blow to French prestige with the natives, while the early Japanese victories in the Pacific extended this loss of face to all whites. Even though the Annamese hated the Japs, five years of anti-western propaganda left permanent effects on the minds of the people.

In the final months of the war when defeat was inevitable, Japanese leaders in Indochina deliberately created a situation which would make the return of the French difficult by setting up a native government and allowing arms to get into native hands. The allies had contributed to this situation by parachuting arms and supplies to the native underground fighting the Japanese. As in most occupied countries both in Asia and Europe, the Communists were one of the most active and best organized elements in this underground. Some months before the Japanese surrender Ho Chi MINH returned secretly to Indochina. He has had a long and prominent history as an Annamite revolutionary and a Comintern agent under a variety of aliases. For the Communists there was no question of his leadership; to others he was known as a lift long fighter for independence who had returned from exile to lead his people. He had around him a small group of able Communists trained as he was in Moscow, or veterans of the Chinese Communist movement. Following the then current popular front tactics, Ho organized a coalition of political parties known as the Viet Minh League and set up a government in which Communist control was at first concealed.

Thus when after some delay the Chinese arrived in Tonkin and the British in Saigon to disarm the Japanese troops, they found a native government established and in control.

A more detailed account of events from this point on will be found in the annex to this memorandum.

3. French Colonial Policy, Past and Present - While not always clear or consistent, French colonial policy before the war was generally one of assimilation. In its highest and simplest form, this was based on a complete absence of color or race prejudice and a belief that the mission of France was not to prepare her subject peoples for independence, but to convert them to French civilization, culture, and religion and prepare them to become French citizens and their homelands to become integral parts of France. (Martinique and Guadeloupe were examples of the complete application of this policy.)

This policy had been questioned even before the war and in 1943 General de Gaulle held a conference of colonial experts at Brazzaville to consider postwar colonial problems. At this conference was born the idea of the French Union which was to be a centralized colonial federation with varying degrees of local autonomy but with essential control remaining in Paris.

When France was liberated and the drafting of a new constitution was taken up, colonial policy played an important but confusing part. Few of the deputies to the two constituent assemblies knew much about colonial matters while the few "experts" were sharply divided. It must be remembered that the average Frenchman believes what he was taught in school - that France is the only colonial power that really understands the natives, that the latter are universally grateful for the benefits of French civilization and that any discontent is the work of a small minority of professional agitators.

Those who realized that the era of colonialism was past and that France must make fundamental changes in her policy if she were not to lose her empire could make little impression on the general apathy and ignorance. Even the Communists were hesitant about going too far against public opinion by advocating independence for the colonies, and were probably also doubtful about the wisdom of breaking up an empire which they expected shortly to control.

The result of all these factors was a constitution which was extremely vague, confused, and conflicting on colonial matters. It provides for three classes of overseas territories - (a) the overseas departments which are an integral part of France, (b) the overseas territories which have limited local autonomy, and (c) the Associated States. The latter category was created to take care of Morocco, Tunis, and the states of Indochina. No details were given as to their position in the Union except that it should be determined an "Act" or agreement with each Associated State.

The overseas territories (and, of course, the overseas departments) are represented in the Assembly and even more heavily in the Conseil de la Republique, the upper branch of the French Parliament. In addition, there is an Assembly of the French Union composed of half colonial and half metropolitan members which, however, has only consultative powers. Finally there is to be a Council of the French Union composed of a representative of each Associated State, the President of France, and certain cabinet members.

It was expected that the Vietnam would be the first Associated State and that the agreement with it would establish precedents for the entry of Morocco and Tunis. Unfortunately by the time the constitution was adopted and in operation, the situation had already gotten out of hand in Indochina. Ho Chi Minh was not willing to accept the extremely limited authority which the French insistence on control of defense, foreign affairs, and economic policy would leave him, and incited by the inept policy of Admiral d'ARGENLIEU and his subordinates, he made a surprise attack on December 19, 1946, which almost succeeded in overrunning the French forces in Tonkin and Annam and resulted in the murder of many innocent French civilians.

This attack strengthened the influence of the conservative and reactionary circles in France and Indochina and was followed by a desperate attempt to pacify the country by military means. While the control of most of the cities was regained, the countryside remained in the hands of Ho's forces and open fighting gradually shifted to

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bitter and destructive guerrilla warfare. In this the French superiority in arms and equipment was balanced by the size of the country, the difficulty of the terrain, and the hostility of the great bulk of the population.

The realization that pacification of the country by force, even if possible, would be a long and costly process, and fear that world public opinion might force UNO or American intervention caused the French Government to shift policy in the spring of 1946 and replace Admiral d'Argenlieu by a civilian, M. Emile BOLLAERT, as High Commissioner. He was sent to Saigon with no precise instructions but with the hope that he could reach agreement with someone and stop the fighting.

In judging the situation on April 1, 1947, when he arrived in Indochina, developments in the French and international political situation since 1945 must be kept in mind. The most important was undoubtedly the growing split between the Western powers and Moscow. When the French first accepted to negotiate with Ho Chi Minh, his Communist background was of minor importance. France was an ally of Russia; and the French Communists were an important element in the coalition government in Paris. In the year that passed before Bollaert arrived on the scene, the international crisis had become clear, the Communists were no longer in the French Government, and the fact that the Viet Minh was Communist controlled became an important political factor. Thus Bollaert soon decided that the resumption of negotiations with Ho was impossible.

His decision to create a new political force around the ex-Emperor Bao Dai and the lengthy and confused negotiations which followed this are described in some detail in the annex to this memorandum. As it finally took form, what is commonly called the Bollaert-Bao Dai solution may be summarized as follows:

- a. It was necessary to recapture from the Communists control of the Vietnam Nationalist movements.
- b. To do this it was necessary to group together anti-Communist forces around some political figure with national prestige and influence. Bao Dai was selected - with considerable reluctance\* - since it was felt that traditional monarchism was still a force among the people, (and because it was felt that his French education and the fact that his wife is a devout Catholic would make him a more reasonable person to deal with).
- c. An agreement would be negotiated with Bao Dai granting the minimum Nationalist demands.
- d. Bao Dai would return to Hue and set up a government which would be a pole of attraction to those elements supporting Ho Chi Minh which were not Communists or sympathizers.

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\* This reluctance was not only on the French side. Bao Dai has no enthusiasm to exchange the pleasures of the Riviera for a difficult and dangerous position in Hue.

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(probably 80% of the total) and which were becoming increasingly fed up with the totalitarian methods and discipline of the Communist leaders of the Viet Minh and discouraged by months of hardship in the jungle.

e. Gradually Bao Dai's strength would increase and Ho's decline until the latter would either have to surrender, flee the country, or become a minor guerrilla leader.

It is obvious that the success of such a plan required granting sufficient authority and concessions to Bao Dai to enable him to establish a stable government in at least a restricted area and to convince native leaders that their essential demands had been met and that there was no longer any reason for continuing to fight. In this Bollaert failed, largely because of the political situation in France. The various "Third Force" governments were not only weak but sharply divided on colonial policy. They were particularly anxious not to give ammunition to the growing strength of de Gaulle's forces, always ready to exploit the average Frenchman's out-of-date views on colonial matters. Thus Bollaert was not even able to persuade the Government to request Assembly ratification of the extremely vague Baie d'Along Protocol of June 5, 1948. This fact was largely responsible for Bao Dai's decision not to return to Indochina which made further steps in the implementation of the plan impossible, even though a Provisional Central Government had been set up under General XUAN, former President of the Cochinchina Provisional Government.

Bollaert gave up in disgust and was replaced by M. Leon PIGNON, a young career colonial officer with much experience in Indochina.

4. Present Situation - M. Pignon, being a civil servant rather than a politician brought a fresh viewpoint to the situation, and appears to have made considerable progress towards a solution in his short period of office.

He has adopted the policy of his predecessor but has been successful in having it accepted as that of the French Government rather than as a personal policy of the High Commissioner. In this he was aided by a number of factors, the most important, of course, being recent developments in China. Even the most die-hard French political leader can realize that with the arrival of Chinese Communist forces on the Tonkin frontier which would assist or perhaps even join with Ho Chi Minh, the precarious French military position would become impossible. Moreover, a growing number of prominent Frenchmen in and out of the Government has in recent months advocated liberal concessions to Vietnam Nationalism. Even the Indochina resolution of the RPF (Gaullist) Congress last fall was surprisingly moderate, (although General de Gaulle himself has been less liberal).

Pignon reopened negotiations with Bao Dai in November and continued them in January after his return from a brief turn in Indochina. Little definite is known as to the exact status of these negotiations, but apparently concessions have been made on both sides. Bao Dai has agreed to return to Indochina if the French Assembly ratifies the Baie d'Along Agreement and changes the status of

Cochinchina

Cochinchina from a French colony to a part of the Associated State of Vietnam. A debate on these points is expected early in March. Bao Dai also wishes the prompt signing and ratification of a treaty covering the subjects reserved under the Baie d'Along Protocol, but it seems doubtful if this can be accomplished in the time available before his return. Disagreement still continues on certain points, the most important apparently being over separate diplomatic representation for the new state. The French are believed to have offered consulates in neighboring countries and Vietnam officers in certain French missions.

Opinions differ considerably as to the chances of the French Government to obtain the necessary parliamentary action. Undoubtedly opposition will be violent from both the extreme right and left wings while the Socialist Party will be seriously split. However, speculation at this time is pointless since the matter will presumably be settled by the time the conference opens at New Delhi.

A more pertinent question is - assuming Bao Dai returns - what chances has he to establish a stable government, split away the non-Communist followers of Ho Chi Minh, and eventually pacify the country? It is believed that the most important factor will be the nature of the French agreement with Bao Dai and the meaning which it gives to "independence within the French Union." If this independence is a sham with most real authority remaining in French hands, then Communist propaganda proclaiming him a puppet and a traitor will be vindicated.

A second factor is the manner in which the return is staged and the agreement is implemented. Because of the delay, inaction, and disunity on the part of the French in recent months, the Vietnam leaders and people have become cynical and distrustful. The popular enthusiasm which might have been aroused by the return of Bao Dai last June can no longer be expected. Furthermore, the French civilian population in Indochina will be sullenly hostile to any new regime while few officials can be counted on to offer real cooperation in the difficult transition period. The result of the French local elections in March will also be a factor since if they forecast a return of de Gaulle, doubt will be cast on the permanence of the agreement with Bao Dai.

Finally much will depend on Bao Dai's ability to resolve the rivalry and intrigue between Vietnam leaders and the regional jealousy and suspicion between the three provinces which are to form the Vietnam state. The Tonkinese are poor but energetic, intelligent and aggressive, the Annamese poor but cultured and proud, while the Cochinchinese feel that the other provinces are interested mainly in sharing the wealth of their region. Opposition to the French and Chinese is about the only thing that the leaders of the three provinces see eye to eye on. Cochinchinese separatism has been encouraged and supported by French business interests and less openly by many French officials.

#### B. Internal Situation in Cambodia and Laos

The people of Cambodia and Laos differ in race, religion, and temperament from the Vietnamese, and the problem of their relation with France is less difficult and acute. Cambodia has good reason to fear

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the aggression of both Siam and the Vietnam, and the French Protectorate has a literal meaning. Following the surrender of the Japanese a modus vivendi was signed in 1946 with the French granting local autonomy. Last year Cambodia and Laos became the first Associated States in the French Union, and recently the "independence" of Cambodia in the French Union was proclaimed. The negotiations for an agreement or treaty to determine the meaning of these terms has been delayed until the Vietnam problem is settled, with the French promising that Cambodia would receive at least the same concessions.

Cambodia has a new liberal constitution and has made some progress in adopting the forms of democracy. French officials are now called advisors to their Cambodian counterparts and exert their authority largely behind the scenes.

There has been increasing evidence of Cambodian impatience over the delay in fixing their final status, and a determination to win wider autonomy and sovereignty. M. Pignon as former Governor of Cambodia can be expected to be sympathetic to these demands.

Laos with a population of only one million, thinly scattered along the upper Mekong, is even less a political problem. After the war the French set up the Prince of Luong Prabang as King of Laos under a temporary agreement similar to that with Cambodia. The French administration in Laos is, however, much more direct and open. The region has been generally peaceful, but there have recently been rumors of concentration of "Free Laotians" in the Siamese provinces along the Mekong which may forecast raids into Indochinese territory. The objective of the Free Laotians is apparently an independent greater Laos including both the French province and territories inhabited by Laotians in Siam.

#### C. International Relations.

1. United States - Post war relations between the United States and Indochina got off to a bad start with President Roosevelt's views on international trusteeship for strategic areas in the hands of powers unable to defend them, followed by the overenthusiastic activities of certain OSS agents in the period just before and after the Japanese surrender. The belief that the policy of the United States is to throw the French out of Indochina still persists in many circles both in Indochina and in France. We are also blamed for permitting the Chinese and English to occupy the northern and southern halves of the country to disarm Japanese troops. Our persistent refusal to supply equipment and arms for French military operations in Indochina is a sore subject with most French army officers. Another source of irritation has been the almost universal tendency of American correspondents visiting Indochina to write articles extremely critical of the French.

As conditions have deteriorated in Indochina (and in Europe) there has been more understanding of our policy and more desire to obtain our approval and assistance in implementing French plans, and at higher levels relations are relatively cordial.

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In recent weeks the French have actively supported proposals for four power cooperation in Southeast Asia to prevent the spread of Communism, and there has been much talk about the strategic importance of Indochina as a bastion against the southward spread of Chinese Communists.

As far as the Annamites are concerned, they were encouraged to believe that after the defeat of Japan we would assist them in obtaining independence. As it became apparent that our sympathies were tempered by strategic considerations in Europe, the popularity of the United States has diminished. Nevertheless, the prestige of the United States is still high, and even Ho Chi Minh has been careful to prevent any public anti-American propaganda.

2. China - The civilization of the Vietnam is essentially Chinese, and political and cultural ties have been close throughout the centuries. Nevertheless, there is little sympathy or natural liking between the two races largely because of the fear of future Chinese expansion and jealousy of the large Chinese minority which controls most of the business and trade of the country. The Chinese occupying forces in Tonkin and northern Annam left behind a bitter memory.

In the French-Chinese Treaty of 1946, France granted important concessions in China. These included the return of the French concession in Shanghai and the leased territory of Kwangchow, the sale of the Chinese portions of the Yunnan Railroad, a free port in Haiphong, and the continuation of free Chinese immigration into southern Indochina. The latter two provisions angered Vietnam leaders, and there have been repeated warnings that since they were not consulted in drafting the treaty, they did not consider themselves bound to honor it when they regained their independence. Attacks on Chinese immigration are frequent in the native press. The French authorities have been far from reluctant to heed the voice of public opinion, and are endeavoring to check immigration by strict enforcement of quarantine and other regulations.

The problem of Chinese Communists will be treated in a subsequent section.

3. Philippines - Political and economic relations between Indochina and the Philippine Republic are of surprisingly minor importance. There is not even a Philippine Consulate in Saigon. Vietnam political leaders are much interested in Philippine independence and the nature of the political, military, and economic agreements with the United States.

4. Siam - The cession of Cambodian and Laotian territory to Siam under Japanese pressure in 1941 left French-Siamese relations in a dangerous state when the war ended. After prolonged negotiations, Siam returned the provinces but has never officially accepted the decision of the conciliation commission.

With the advent of power of Marshal PHIBUN the French have made strenuous efforts to improve relations with Siam. Agreements were concluded last year for cooperation in preventing smuggling and

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movements of partisans across the frontier, and the present Siamese government is much less sympathetic towards the large group of Viet Minh refugees residing in Siam.

5. Malaya - With the outbreak of disorders in Malaya last year the French felt that they could expect greater sympathy and cooperation from the British authorities in Singapore. There have been a number of visits back and forth of military and civilian officials. The general impression is that the French are much more eager than the British.

6. Indonesia - The French have naturally sympathized and supported the Dutch in their difficulties in Indonesia. The recent police action has been enthusiastically approved, and the attitude of the United States and Australia bitterly attacked. There is undoubtedly an undercurrent of envy and jealousy over the contrast between Dutch military successes and French failures.

The Vietnam people naturally sympathize wholeheartedly with their Indonesian fellow sufferers, and the recent developments have been given as much prominence in the native press as censorship would permit. The developments in the Security Council have generally been greeted with disillusionment and a frequent reaction has been that the mistake of the Indonesians was to place too much trust in the United Nations and in the United States as the leading member of that organization. The New Delhi Conference created little excitement or enthusiasm, and the effect of Communist propaganda was clearly visible in certain articles denouncing Nehru as a member of the imperialist clan. Disappointment over the fact that Vietnam representatives were not invited and that Indochina was not discussed was undoubtedly a factor in the poor press received by the conference.

7. India - The considerable Indian minority, most of whom are shop keepers and money lenders, is the most important factor in relations between Indochina and India. The presence of a number of minor officials, chiefly police, from Pondichery, also tends to harm relations between the Vietnamese and Indians. Difficulties over the future of the French territories in India naturally gets much attention in the French press.

It is not believed that an independent Vietnam will be enthusiastic about accepting the leadership of India in Southeast Asia. An effort to play off the Indian against the Chinese can be expected.

#### D. Communism in Indochina

A brief description of the Communism in Indochina before and during the war and how it gained control of the Nationalist movement is included in Section A, Part 2.

Communist control is exercised along standard lines with top authority in the hands of a central committee known as the Tang Bo. All military units have political commissars and propaganda units exist at all levels. The secret police is well organized and active.

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No one knows how many Communists there are in Indochina, but the number of real party members is certainly small. The highest estimate is 20% of the troops fighting with Ho Chi Minh and this includes sympathizers. However, the number is undoubtedly growing, and at the same time non-Communist military units are being steadily infiltrated with secret agents. Units under Communist command are generally better armed. Thus the problem for the leader contemplating changing sides is not an easy one.

Another point on which definite information is lacking is the channel of communications with Moscow and the center of regional control. [It is probable that all of the available channels are used - overland from China, Burma, and Siam, and by sea from China, Hong Kong, and Singapore. It is also very possible that Moscow directives arrive via France.] Certainly satisfactory communications exist since Moscow publications of fairly recent date are frequently seized by the French. [Communist headquarters in South Asia are variously reported to be in Hong Kong, Bangkok, Singapore, Rangoon, and Calcutta. Hong Kong seems to be the most likely.]

One peculiar thing about Vietnam Communism is that there has been very little anti-American propaganda. It is obvious that this is not due to ignorance of the current party line. It apparently represents a hope on the part of Ho Chi Minh that he may still obtain American support for or at least acceptance of a Viet Minh government under his leadership. Evidence that this hope is diminishing is furnished in a regional party directive dated in November 1948 which stated that active anti-American propaganda should be conducted in party circles and by word of mouth among the people but should not yet appear on the radio, in the press, or in public speeches. [The main theme of this propaganda was to be that the United States is an imperialist power which aims to extend its domination over Indochina "in a manner even more cruel and ruthless than the French". An interesting item was that pro-American Annamites were to be denounced in anonymous letters to French officials which indicates that the Communists are aware of the similarity between their propaganda and the belief of certain French circles.]

The problem of Communism among the Chinese minority is one which has been given much attention by the French authorities, especially since the situation became critical in China. Up until now there has been surprising little direct cooperation between local Chinese Communists and the Viet Minh. There are very few Chinese among the insurgent troops, and the Chief of Surete states that no Chinese had ever been caught taking part in grenade throwing or other terrorist activities. However, the Chinese play an important part in communications and in smuggling arms and supplies. For some months now the French have been quietly rounding up and deporting small batches of known Communist leaders and the Surete feels they have the situation well in hand. In a recent conversation with the head of the Surete he, nevertheless, expressed some disquiet over the tendency of the local Chinese community to climb on the band wagon as Communist victories in China rolled up.

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Background Information

It is believed that a brief discussion of the background is essential to the understanding of the present situation in Indochina. The following paragraphs accordingly present a somewhat over-simplified version of events since 1945.

On March 9, 1945, the Japanese took over direct control of the administration of Indochina, disarmed French troops and interned most French officials and civilians. Emperor Bao DAI was retained in power and promised independence. When Japan surrendered, Japanese officials in Indochina permitted control to be seized by Annamese nationalists. Emperor Bao Dai abdicated on August 26, 1945, and Ho Chi MINH, a prominent Comintern leader, proclaimed the Vietnam Republic on September 2. The British, who moved into the southern region to disarm Japanese troops, refused to recognize the new republic and promptly turned over the administration to the French. There was some fighting in Saigon and continued guerrilla warfare throughout Cochinchina.

In the north the Chinese occupation forces recognized Ho's government and supported pro-Chinese elements in the dominant Viet Minh party coalition. After prolonged negotiations and considerable concessions on the part of the French (Shanghai, Yunnan Railroad, et cetera) the Chinese agreed to withdraw. On March 6, 1946, just before the Chinese withdrawal, a representative of the French High Commissioner signed a brief protocol with Ho Chi Minh, recognizing the Vietnam as a free country within the French Union and the Indochinese Federation with its own army, finances, and government. The status of Cochinchina was to be determined by a plebiscite. Details were to be worked out at a subsequent conference.

After unsuccessful negotiations at Dalat, Ho and a large delegation came to France early in June. The so-called Fontainebleau Conference lasted from July 5 to September 11. It broke down over the issues of the unity of Cochinchina with the rest of Annam, military relations, and Vietnam demands for a separate diplomatic service and control of customs, finance and economic matters. Just before leaving France, Ho signed a modus vivendi with Minister of Overseas France MOUTET which provided for stopping guerrilla fighting in southern Indochina, release of prisoners and hostages, and for the resumption of negotiations in January 1947.

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1. It should be recalled that the Fontainebleau Conference took place during the period of the second Constituent Assembly in which colonial policy was a crucial and bitter issue. Thus the French negotiators were hamstrung by lack of knowledge of what the new constitution would do about the French Union, while the Vietnam delegation was both doubtful of the authority of the French delegation and encouraged to be intransigent by violent speeches in the Assembly by colonial and Communist deputies. The Conference was thus foredoomed to failure.

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When Ho returned to Hanoi, in October, he found extremists in his government, led by Communist Minister of War GIAP, had increased their influence during his nearly five months' absence. The measures for stopping the fighting in Cochinchina were never implemented and relations with the French deteriorated rapidly. A dispute over customs control in Haiphong in November resulted in localized fighting, and on December 19, 1946, a carefully prepared surprise attack almost succeeded in overrunning French forces in Tonkin and Annam.

Fighting has been continuous since then. After a few weeks of real warfare in Hanoi and vicinity it deteriorated into bitter and costly guerrilla operations. With great difficulty France concentrated about 100,000 troops in Indochina armed chiefly with British and American lend lease equipment. This force, while sufficient to garrison the chief cities and maintain precarious communications between them, was not large enough to pacify the country. Civil and military officials in both France and Indochina have for some time admitted that this cannot be done without greatly increased forces which are not available.

When it became apparent that a military solution was not practicable the French returned to the idea of negotiations. Admiral d'ARGENNIEU was replaced as High Commissioner by M. BOLLAERT, a resistance leader and former career prefect. Partly because of the prejudice of Minister Moutet, who considered the attack of December 19 as a personal affront to him, and also because of growing anti-Communism in France, the French were reluctant to resume negotiations with Ho Chi Minh. In the absence of any other leader with a national following, the French turned to the ex-Emperor Bao Dai who was living in exile in Hong Kong. During the summer of 1947 fevered and confused negotiations succeeded in collecting a motley group of parties, movements and individuals willing to support Bao Dai. The nucleus was traditional monarchists from Annam and Tonkin. To this was joined certain native Catholic elements in Tonkin, the Cao Dai and Hoa Hao religious sects in Cochinchina, certain anti-Communist nationalists, and various other minor groups with mixed motives.

By September 1947, the French felt prepared to open a combined diplomatic and military offensive. Bollaert was to make an important policy speech outlining the conditions for a settlement, while a limited military offensive in Tonkin would weaken Ho Chi Minh and encourage waverers to rally to Bao Dai. Unfortunately, the text of Bollaert's speech became a political football in France and as delivered was so watered down that it made a poor impression in native circles. The only new concession offered was union of the three Annamite provinces.

Bao Dai, after considerable urging, met with Bollaert on a French cruiser in the Baie d'Along on December 6 and 7, 1947, and signed a secret protocol which recognized the independence and unity of the Vietnam within the French Union, provided for the protection of French economic interests, and for priority for French in choosing advisers

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and technicians, but left to later negotiations the detailed solution of diplomatic, military, economic, financial, and technical matters. (This agreement was, except for two unimportant words, exactly the same as the one signed on June 5, 1948, by Bollaert, Xuan, and Bao Dai.) Bollaert is understood to have agreed he would not deal with Ho. It was arranged that the two would meet again in February to make final arrangements for the return of Bao Dai to Indochina.

Bollaert returned to France to explain his plans to his government and obtain its approval. Bao Dai unexpectedly followed Bollaert, going to Switzerland where he had a meeting with M. Bollaert in January. The High Commissioner returned to Indochina on January 26 to prepare for the meeting with Bao Dai scheduled for February. The latter, however, went to France and was received by a number of high government officials. This infuriated Bollaert, who threatened to resign and was only placated by an official statement that negotiations with Bao Dai would be exclusively through him.

Events from this point on were confused. Obviously Bao Dai had reconsidered his reluctant agreement to return to Annam and felt that additional concessions and guarantees were essential if he were to gain the support of sufficient Nationalist elements to insure stability for his new government. In addition, his stay in France had opened his eyes to the unstable position of the French government and the possibility of a return to power of de GAULLE.

Bao Dai did not return to Hong Kong until March 14, 1948. The following weeks were marked by much coming and going between Saigon and Hong Kong of French and Vietnam representatives, and continually changing rumors of the status of the negotiations. Apparently despairing of persuading Bao Dai to return in the near future, Bollaert agreed to set up a Provisional Central Vietnam Government which would prepare the way for the Emperor, who agreed to give his moral backing to the new regime.

The new government was headed by General Xuan, then President of the Cochinchinese Government. Xuan, while an Annamite by birth, is a general in the French Army, a French citizen, and married to a French woman. He was, of course, promptly branded as a French puppet (which is not believed to be true). Xuan had great difficulty in persuading persons of ability and influence to join his government, even with the backing of Bao Dai, and the team he collected was very weak, particularly as regards representatives from Tonkin.

On June 5, 1948, Bollaert met with Xuan and Bao Dai, again on a cruiser in the Baie d'Along, and a new agreement was signed which was almost exactly the same as the first one. The text was promptly made public in contrast to the first protocol. The ex-Emperor left for Switzerland the same day while M. Bollaert returned to France shortly afterwards. President Xuan proclaimed his new government in Hanoi.

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The High Commissioner apparently believed that he would obtain prompt ratification of his agreement by the French Cabinet and Assembly, following which, Bao Dai would return to Indochina, and the negotiations for the supplementary agreements could then begin. Unfortunately, he returned to Paris at a particularly difficult moment. The Schumann Government was faced with growing internal dissension and opposition within the Assembly. The Socialist Party Conference had revealed a swing to the left and voted a resolution favoring negotiations with Ho Chi Minh. Colonialist and conservative groups in Indochina and France began an active campaign against the Baie d'Along agreement as the first step in throwing away the empire. In the circumstances, the government was naturally reluctant to take up a problem which might well result in its overthrow by the Assembly and which appeared less urgent than other serious internal and international problems. After the Schumann Cabinet finally fell, the shortlived Mario Cabinet was even less eager to face a debate on Indochina.

When the long scheduled interpolation on Indochina finally came up on the agenda, the Prime Minister asked that the debate be postponed indefinitely, but indicated the government's approval of M. Bollaert's policy and the Baie d'Along protocol and announced that a vote in favor of adjournment would be considered as approving this policy. A substantial majority was obtained after a brief debate on the adjournment motion which indicated general approval of the Baie d'Along protocol by all parties except the Communists, but considerable differences of opinion as to its interpretation and methods of application. The Socialists in particular were embarrassed by the party directive mentioned above.

M. Bollaert returned to Indochina breathing optimism and professing to be completely satisfied with the Assembly's action and convinced that Bao Dai would return, and the implementation of the Baie d'Along protocol could proceed immediately. This optimistic facade crumbled quickly. Bao Dai lost no time in making it clear that he was not returning until a formal agreement had been signed and ratified by the French Government, not only covering the principles of the Baie d'Along protocol, but the reserved subjects left for future negotiation. Private and public statements of Xuan and his ministers and articles in the native press showed that they were in no way satisfied with the oblique handling of the matter by the French Government. The local colonialist press proclaimed a defeat for Bollaert and took pains to point out that the whole situation in Indochina was illegal and unconstitutional and that, in particular, no change could take place in the political status of Cochinchina without formal Assembly action, since Cochinchina, in contrast to Tonkin and Annam, is a French colony and French soil.

M. Bollaert soon let it be known that he would not request a further extension of his term of office, which expired September 30. The reason given was his need to return to France to rebuild his political fences for the coming elections for the Conseil de la Republique. Actually, it was clear that for reasons largely beyond his control,

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his plans for a prompt solution of the Indochinese problem had failed and that much time and effort still remained to be expended.

The appointment of M. PIGNON as successor to M. Bollaert came as a great surprise since his name had not even been mentioned among the numerous candidates for the position (The two most talked of were General MAST, former Governor of Tunis, and General CATROUX, a former Governor of Indochina and recently French Ambassador to Moscow). Pignon is a career colonial official just over 40 years of age who has spent most of his service in Indochina. In 1948 he had been Commissaire de la Republique (provincial governor) for Cambodia when he was called to Paris for a responsible job in the Ministry of Overseas France. His appointment is generally considered as indicating the intention of the Cabinet to keep closer control over developments in Indochina.

The new High Commissioner spent the first weeks after his appointment in Paris, arrived in Saigon on November 21, and returned to Paris on December 11, 1948. His brief stay in Indochina was chiefly occupied in bolstering up the tottering Xuan Government. A more detailed account of his activities since assuming office will be found in the main section of this paper.

GMA/jr

American Consulate General,  
Saigon, Indochina, February 12, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION II. UNITED STATES INFORMATION SERVICE

A. Need for USIS in Indochina

No American news service reaches Indochina. UP service to Indochina ceased in December 1948 because it could not meet expenses. AP is negotiating with the Bureau of Press and Information of the French High Commissariat for Indochina, but even if AP succeeds in selling its service to the Bureau, that organization will translate, select and edit whatever AP material it sees fit to pass on to the public through press and radio.

Agence France Presse service is distributed in Indochina under the Bureau's supervision. The Bureau naturally concentrates on presenting the French point of view and on excluding all news which might disturb the population or be inimical to French policy. News of the United States and of the United Nations reaches the public here badly truncated or not at all.

Against this background, USIS Saigon should be disseminating the full facts on United States policy. Here is an illustration of this mission. The French in Indochina have admired the Dutch "police action" of last December in Indonesia. The Indochinese press, lacking adequate news sources, at first misinterpreted beyond recognition the United States' attitude toward that action. If the Department's wireless bulletin were being received here, it would have been possible to provide the papers and Radio Saigon promptly with the full texts of the Department's January releases on Indonesia and of Mr. JESSUP's statements of United States policy. Though delayed, this material did reach here by pouch from Bangkok and has been brought to the attention of friendly journalists. As will be explained below, efforts are being made to begin copying the wireless bulletin in Saigon. The British Consulate General distributes a small daily wireless bulletin mimeographed in English on both sides of a single legal size sheet.

American and other English language books are not on sale in Indochina. There has been very little English taught here. Nevertheless, the public, whether Vietnamese, French, or Chinese, is acquiring some English and is eager to learn about the United States and its culture and achievements. The large, steady attendance at the Reading Room is evidence that USIS' stock of books and publications fills a need and at the same time contributes to American prestige

B. Current Activities

Since USIS Saigon first opened a temporary Reading Room on August 26, 1946, there have been periods of inactivity imposed by problems of space and personnel. The present Reading Room opened its doors on August 13, 1947. It has a popular corner location on the

main

main business street of Saigon. The chairs are comfortable, the shelves attractive, and the Vietnamese attendants are efficient and courteous. The stock of books is modest (just over 1,000), but interesting new acquisitions are flowing in. Daily attendance of readers and visitors exceeds 200 (average 5,000 per month) and is in the ratio of more than 3 Asiatics to 1 European. There is also a British Reading Room in Saigon, but it suffers from a very inconvenient location and lacks staff. Attendance at the British Reading Room is only a small fraction of that enjoyed by USIS.

From March 7, 1948, when Mrs. Jeanne SKEWES, a public affairs assistant temporarily in charge of USIS, Saigon, was ambushed and killed, until the arrival of the present Information Officer on November 12 there was no American personnel attached to USIS Saigon. However, the Consul General instructed a vice consul, Mr. Dallas M. COORS, to give such attention to the conduct of a "holding operation" at USIS as would be consistent with the performance of his other duties. The previous American director of USIS Saigon resigned on January 15, 1948. The present director arrived one year later, on January 13, 1949.

Thanks to the effective work of Mr. Coors and of the small and devoted Vietnamese staff, the two American officers now at USIS have taken over a going concern which provides, in addition to the Reading Room, weekly film showings in a hall loaned by the Bureau of Press and Information, a system for lending films and projectors to schools and organizations, the distribution of American periodicals to a carefully selected list, the gift distribution of wartime stocks of paper-bound CWI books and Army textbooks, and a little cultural exchange work. The periodicals and wartime books are mailed or shipped to persons and institutions in many parts of Indochina. USIS has reason to believe that some of this material filters into areas under Viet Minh (rebel) control.

Plans to monitor and distribute the wireless bulletin have gone on for a long time and are now being pushed. The present stumbling block is the lack of office space to accommodate the wireless equipment and operator and the employees and machines to take care of duplication, distribution, and eventual translation of the bulletin. Office space is extremely scarce in Saigon, but USIS is leaving no stone unturned in search of it.

Small bulk subscriptions to Time, Newsweek, and Life (25, 27 and 19 copies respectively) are received here (Pacific editions) and distributed by USIS to a selected list including friendly journalists. The Information Officer distributes news items and photos received by air from the Department and endeavors to place them where they will be appreciated and published. As this press program has just been revived (lack of personnel has caused its suspension), it is too early to measure its effectiveness. Several local papers, Vietnamese, French and Chinese language, are printing USIS material, chiefly photos and plastic cuts. They pirate some material from Time and Newsweek.

C. Particular

C. Particular Problems Encountered in Indochina

The civil war in Indochina and the fact that Saigon for all its charm is a besieged city have a direct bearing on the day to day activities of USIS. Among Frenchmen in Indochina the belief persists that the United States wishes for economic reasons to supplant French power and influence here. These factors have in the past led to official French protests against one or another activity of USIS and still condition its functioning. Two plain clothes men habitually loiter near the entrance to the Reading Room. Aside from the question of whether anyone is actually molested for attending the American Reading Room, the presence of these detectives may cause some interested persons to stay away.

The showing and lending of films is encumbered with controls and red tape. To be shown at all a film must have been granted a "visa" by the Bureau of Press and Information. Anyone wishing to borrow films for showings must have the specific approval of the Bureau. For instance, an owner of rubber plantations requests USIS in writing to place his plantations on the list for regular film loans. He states that the audiences will consist of Vietnamese employees, French supervisors, local guards, and French soldiers. USIS writes to the Bureau, encloses a copy of the letter from the plantation owner, and asks approval. This is granted promptly, and USIS is then free to circulate films, each of which must have been "visaed" to the plantations in question. Although the precise effect cannot be estimated, these formalities must act as a brake on applications to borrow USIS films.

The Director of the Bureau of Press and Information has stated informally that application for permission to issue the wireless bulletin must be made to him in writing. He added that he would immediately grant approval. Nevertheless, this required procedure illustrates the close control exercised over printed matter. The French authorities will certainly protest against and endeavor to stop any USIS activities to which they take objection. Expansion of the program here or additions to the American staff of USIS must be carried out with circumspection in order to avoid suspicion and obstruction.

The shortage of office space is accompanied by a scarcity of living accommodations. The unsolved and harassing housing problems of the two American couples are evidence that some time must elapse before even a third American is assigned to USIS Saigon. On the other hand, additional local personnel will be employed as soon as additional office space is obtained. This prospective increase in local staff will, in addition to producing the wireless bulletin, enable USIS to expand the distribution of photo exhibits and to set up a lending library of recorded music.

The present possibilities of exchange of persons working here are severely limited. A few students have applied for scholarships at American universities, and USIS has forwarded their applications. Certain adverse factors exist independently of the civil war and of

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the impossibility of obtaining dollar exchange. Very few Vietnamese are sufficiently wealthy under any circumstances to send their children half way around the world to college. The implementation of the Fulbright agreement with France is being worked out in Paris. It seems probable that this implementation will place Indochinese applicants in direct competition with those in France. In that case there is not likely to be any political discrimination against Vietnamese or other Indochinese applicants. They will, however, constitute but a small fraction of those applying in French territory and will rarely possess accomplishments permitting them to meet the competition of students from France itself. It will be recalled that the Fulbright program is designed for graduate students.

Hanoi is under more intense siege than Saigon, and has experienced more destruction. A very modest USIS program, limited primarily to magazines and some film distribution, is about to be launched by the Consulate there. The possibility of expanding this program will be subject to periodic review. Present plans are for the Consul and Vice Consul to devote some of their time to USIS activities, assisted by one or two Vietnamese employed at USIS expense. The possibility of opening a small reading room at Phnom Penh, the capital of Cambodia, is being considered.

Despite the accelerated tempo of events in China, Indonesia, Malaya, and Burma, the situation in the French-held areas of Indochina has been relatively static for some time past. This report has been written in the light of this static situation. Current French negotiations with ex-Emperor Bao Dai of Annam may lead to his early return to Vietnam with a trend toward more peaceful conditions in Indochina which would permit expanded USIS activities. The single factor of improved transportation facilities would be an immense advantage. If, however, conditions become more unsettled, USIS will soon be adversely affected.

HFC/jr

Lt. Wm. H. Hunter  
American Embassy  
Bangkok

American Consulate General,

Saigon, Indochina, February 12, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION III. MILITARY SITUATION IN INDOCHINA

Summary

The war in Indochina, now in its third year, has continued its indecisive course during the past six months. The usual fall and winter campaigns, more limited in scope than last year, resulted in the reoccupation of abandoned towns and the usual capture of stocks of arms and explosives, without any decisive result. The truism that "there is no military solution" for Indochina is more pertinent now than ever, with 100,000 French troops, over 80% Indochinese, Senegalese, Foreign Legion or other mercenaries, hardly more than adequate to hold the present very limited areas of control. In this stalemate, large scale Chinese Communist intervention or the complete breakdown of present political negotiations leading to self-government would have a serious, if not disastrous, effect on the present French military position.

THE ARMY

History

Since early in 1946 a succession of French generals (including Le Clerc and Valluy, two of the ablest) have tried their hand at pacifying Indochina. A high point in the series of campaigns was reached in November 1947, with a successful fall campaign in Tonkin that dealt a severe and unexpected blow to the Viet Minh. The French were unable to consolidate their advantage, however, and by December 1947 were being counter-attacked all along the line, finally being forced to withdraw virtually to their original positions.

In spite of subsequent raids or combined operations into Viet Minh held territory, the initiative has remained with the Ho Government, together with control of most of the country.

Current Situation - Tonkin

The past few months have seen two operations in Tonkin. The first, "Operation Ondine", was designed to cut off the mountainous "northern-redoubt" from the rich rice producing delta. It involved a five battalion, combined paratroop, land and river operation to seize Son Tay, Vietri and the line Son Tay - Hanoi. No resistance was met in the initial stages and no Viet stores were found. Harassing counter-attacks along the perimeter of this 20 mile salient make it already appear doubtful if it can be held during the rainy season.

The second Tonkin operation began on 8 December and had the line Nam Dinh - Phu Ly - Hadong as its objective, together with a "clean up" of the strongest center of resistance and arms supply in the Delta. Paratroops, infantry and Marines were used, heavy resistance met, and

considerable stocks of munitions and supplies were seized. Since the Nam Dinh - Phu Ly - Hcdong line is entirely surrounded by Viet Minh held area and had to be supplied by air or river-boat, French withdrew from the area when objectives had been reached, operation ending 21 January.

#### Central and South Annam

This relatively tranquil sector erupted on 16 January 1949 with a large scale Viet Minh attack on the Tourane - Hue railroad resulting in destruction of the train and capture of the manager of the railroad. Previously only routine French clean-up operations have been noted during the past six months in the narrow, hundred-mile-long coastal strip held by French forces in central Annam. As in South Annam, an attenuated chain of small forts and blockhouses, manned by second-line troops, is subject to intermittent and admittedly nerve-wracking attacks. This attrition, plus miserable living and sanitary conditions has reduced morale and initiative in both Central and South Annam sharply.

#### Cochinchina

Three fairly able generals, LE CLERC, NYO, and Boyer DE LA TOUR DU MOULIN, have tried their hand at pacifying Cochinchina, but in almost three years the situation has remained virtually unchanged. The French hold all the large towns and a small network of roads radiating from Saigon to the north, west and northwest quite firmly, although attacks even within this limited framework are frequent and sometimes severe. Beyond it, in spite of massive sweeps and encirclements, para-troop and amphibious operations, the countryside remains in Viet Minh control. The "Plaine des Jones" area west and south of Saigon and the whole rich, rice-growing Ca Mau peninsula remain particularly strong centers of Viet resistance. The latest reported French plan for the Ca Mau peninsula is to permit no rice to be exported from it, in spite of world rice shortages, so solidly is its economy controlled by the Viet Minh.

#### Cambodia and Laos

These large, sparsely-inhabited, deficit areas use up large numbers of French and Indochinese garrison troops to protect towns and communications from an insignificant Independence movement which draws most of its strength from Siam and the Viet Minh. Important operations on the part of either adversary are very rare, although large scale Free Laos operations are reported planned for late February.

#### Troops

Current estimates give a total of 100,000 French troops for all of Indochina. Of these, almost 50% are believed to be Indochinese natives, under French officers and non-coms. Total white French troops, including cadres, are not believed to exceed 20% of the total or about 20,000. 12,000 Foreign Legion and a mixture of Senegalese, Morroccans, Algerians, Tunisians, together with a few Pondichery Indians, make up the balance. A regiment of French Marines also serve as infantry combat troops with the French ground forces.

Native anti-Viet Minh movements such as Cao Dai, Hoa Hao, Partisans, etc. have been virtually written off as an asset, and in the case of the latter two groups have become an admitted liability.

Morale and discipline in all combat units visited during past months showed a sharp decline over the past year, particularly among paratroop units. Widespread atrocities have been reported by American and British sources in the North; health and sanitary conditions in the field were observed to be very bad; and there is a widespread lack of confidence in both the French government at home and French generalship in Indochina among officers and superior non-coms. Feeling the general hopelessness of the military situation, many of the ablest young officers are seeking staff rather than combat duty, and only the most recently arrived French troops show much combat enthusiasm or smartness of discipline. In this connection, Viet Minh propaganda makes much of an alleged recent proclamation by Andre MARIE, French Minister of Justice, offering French convicts a chance to "redeem" themselves by joining the Colonial Army to fight in Indochina.

The pay of officers and superior non-coms, however, is good to excellent, particularly in comparison with metropolitan France; professional advancement and decorations frequent; and these factors have inhibited widespread resignations or desertions.

#### Generalship

The present two top generals in Indochina (BLAZOT and ALLESANDRI) are thought by French officers to be decidedly second rate, although served by a first rate General Staff. Area commands (KOCH in Tonkin, LE BRIS in Annam, DE LA TOUR in Cochinchina) are little more than autonomous sector commands. All large scale plans and decisions are made in Saigon by Allesandri and staff, with some interference by the High Commissariat, particularly on the political implications of military moves.

#### The Navy

With a single carrier, a cruiser, a dozen colonial sloops, three LST's, 16 minesweeps, and a variety of small landing craft at its disposition, the Naval Command in Indochina is a minor military factor. Its functions are: river and coastal patrol (anti-arms and rice smuggling); transport and support of troops in amphibious operations, and protection of river convoys. A regiment of Marines (Fusiliers - Marins) while officered by the Navy is under Army operational command. They are recognized as the best combat infantry in Indochina at present.

#### The Air Force

Some 36 out-dated German Junker transports (JU52's) used for paratroop operations, are the backbone of the French Air Force in Indochina. Additional planes are old Spitfires and C-47's, plus light observation and personnel planes such as Piper Cubs. Besides transport of paratroops, the mission of the Air Force is the bombing and strafing of villages not in French control, support of ground troops and personnel transport.

As in



As in the Navy, promotions and decorations are slow, and morale and maintenance have both fallen off sharply in the past months. Pilots particularly resent lack of ground facilities, and various safety devices which those trained in the U.S. (over 50%) there learned to regard as indispensables.

#### The Viet Minh

Opposed to the French forces are about 75,000 Vietnamese troops of various political complexions, largely under Communist dominated leadership. There is considerable French-furnished evidence of Communist political commissars and indoctrination extending down to company strength levels. It is certain that the disciplined Communist element has been the largest factor in maintaining the vigor and cohesiveness of the resistance. In this, they have been greatly helped by French indecision and bad faith, and the terrorism of French troops.

In spite of arms captures and occasional defections, there is no sign of large scale weakening of Vietnamese resistance abilities or morale. The large areas under Vietnamese control lack luxuries and medicines, but are wholly self-sufficient in the basic necessities and tolerably well administered, according to what few reports are available. They continue to form a source of supplies and of fresh troops that are only limited in numbers by the arms available.

Although there are rumors of a Chinese Communist treaty with Ho Chi Minh, and of a Chinese Communist general and his staff in Northern Tonkin, there is little evidence, as yet, that the Chinese are of any considerable help in the resistance. French sources feel that there is little danger of a Chinese Communist 5th column in Cochinchina, or of an invitation on the part of Ho Chi Minh to the troops of the age-old national enemy to enter Indochina in force, in spite of the Communist link. All French military sources consulted, however, feel that a large scale Chinese Communist invasion would make most, if not all, of Tonkin, militarily untenable.

For many months past, observers feel that the resistance has not put forth its maximum effort, perhaps because the leaders are waiting for the outcome of political negotiations going on between the High Commissariat, the French Government and the Xuan-Bao Dai elements. If these should break down, the resistance will be greatly strengthened by the adhesion of many now neutral or pro-French elements. If the negotiations are successful, the resistance army is sure to be a dominant factor in any form of Vietnamese self-government.

#### Comment

Having long since explored, and exhausted, the possibilities of a final military victory in Indochina, there is little incentive for the French military high command to plan beyond small scale operations of limited scope, while waiting for the politicians in Paris and Mao Tze TUNG in China to make the really decisive moves.

WHH/jr

American Consulate General,

Saigon, Indochina, February 12, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION IV. INDOCHINESE ECONOMIC SITUATION

A. General

Indochina has an area of 286,000 square miles - half/as large as France - and a population of about 26,000,000. The population is largely concentrated in the deltas of the Red and Mekong Rivers and a narrow strip along the coast. Large parts of the interior are practically uninhabited. The economy of the country is primarily agricultural and largely based on the growing, processing, and export of rice. Rubber output was increasing rapidly before the war, and some progress had been made in developing the country's mineral resources.

Recovery since the war has been slow because of the practically continuous guerrilla warfare. Even with the return of peace it will probably take two years for production in most fields to reach prewar levels, and large capital investments would be necessary.

B. Resources

1. Agriculture

Rice is the mainstay of the native diet and by far the most important crop. Tonkin is only self supporting in exceptional years; Annam and Cambodia usually break even; while Cochinchina can produce a large surplus for export and seldom suffers a crop failure. Agricultural methods are primitive and yields per acre are low. Other important crops are corn, grown chiefly for export, sugar cane, beans, cotton, tobacco, and vegetables. Copra and oil seeds are of minor importance as are coffee, tea, and kapok.

Rubber planting began late in Indochina and reached its greatest development in the period 1925 - 1934. Present acreage is about 134,000 hectares, perhaps 20% of which has been more or less seriously damaged by the guerrillas. Potential production is estimated at 100,000 tons, but many plantations have been abandoned because of insecurity, and the balance lack labor. Production in 1948 was only about 45,000 tons. Rubber is almost entirely in French hands and the great bulk in large plantations - the 33 largest contain 60% of the total acreage. French planters have been prompt to develop and adopt modern methods, and over 40% of the trees are from grafted and selected seedlings. It is understood that cost of production is low compared with other growing regions.

2. Animal Husbandry, Fishing, and Timber

In the Vietnam, cattle and buffalo are raised chiefly for draft animals, and their numbers are still below prewar totals. Cambodia raises a fair number of beef cattle. Hogs are the most important food animal and in certain Annamite provinces are an important source of income. Goats and sheep are of minor importance. Fish forms an

important part of the native diet, and large quantities are caught in the coastal waters, the rivers and particularly in the Tonle Sap Lake in Cambodia. Large quantities of dried fish were formerly exported. While Indochina has great areas of forest and many valuable woods, their exploitation is difficult and timber has never been an important export. The cutting of construction timber and firewood is, however, an important local industry.

### 3. Minerals

The provinces of Tonkin and Laos are rich in minerals, the latter largely unexploited. High quality anthracite coal deposits are found north of Haiphong, and before the war production reached over 2,000,000 tons a year mostly by open cut mining. Production in 1948 was only 340,000 tons due to lack of machinery and labor and guerrilla activities. Coking coal is found only in insignificant quantities.

There are valuable tin deposits in North Tonkin and Central Laos. Production reached 1800 tons in 1938. Considerable crude tin was also brought down from Yunnan, China, for smelting at Haiphong. Production is at present at a standstill due to the guerrilla warfare. A few tons were flown out of Yunnan in 1948, but plans for developing this have been postponed because of the present high price of Chinese tin. Tonkinese tin ores contain tungsten, and production in 1938 reached 555 tons of concentrate.

There are valuable zinc ores in Tonkin. Production reached 25,000 tons in 1926, but dropped to about 5,000 before the war as world prices declined. These mines are also closed. Gold deposits were worked at various points before the war but were of minor importance.

There are important deposits of phosphate rock in northwest Tonkin near the Chinese frontier, the development of which was begun by the Japanese during the war. Exploitation of these rich mines will require not only the pacification of the area but large investments of capital.

Many other minerals, including iron ore, bauxite, lead, antimony, and graphite, are known to exist, and Laos particularly has only been partially prospected.

### 4. Industry

Industry is of little importance in Indochina and is chiefly concerned with the processing of agricultural and forest products. The most important manufacturing industry is the cement works near Haiphong. This produced 260,000 tons before the war and about 100,000 in 1948. Other minor industries produce alcohol, textiles, sugar, and cigarettes.

## C. Foreign Trade

### 1. Exports

Before the war rice, rubber, and corn represented 75% of the total value of exports. Of other items, only coal, dried fish, tin and cement were over 1% of the total.

Today rubber is the leading export by value. Shipments totaled about 42,000 tons in 1948. This compares favorably with prewar but is less than half of present capacity. Rice exports at 220,000 tons improved over 1947 but were only a fraction of the prewar average of over 1,500,000 tons. In 1933 over 500,000 tons of corn were exported, almost all to France. During the war production practically ceased and has made little recovery since. With the decline in the export of rice and corn, certain other products such as hides and skins, soya and other beans, pepper, and kapok have assumed relative importance.

The recovery of Indochinese exports to prewar levels depends primarily on political factors and the return of security. However, such recovery would not occur immediately on the return of peace since much destruction and deterioration has occurred which would take time to repair. Thus rice exports will be hindered for some time by failure to keep up dikes and drainage or irrigation canals, lack of junks to move the paddy, and destruction and deterioration of rice mills. Rubber could recover more quickly but many trees have been slashed or burned and factories and houses destroyed. Annual now or replanting schedules have been largely abandoned since 1945. All export industries are affected by the general deterioration of water, road, and rail transport.

Over 60%, by value, of Indochina's exports go to France and the Empire, about the same as before the war. Most of the balance goes to Singapore, Hong Kong, and China. Exports to the United States amounted to only about 3% of the total value in the first ten months of 1948. The percentage was somewhat higher before the war but has never been large and probably never will be unless the economy of the country changes sharply. We do not import rice, corn, coal, or cement, while Indochinese rubber will normally go to France.

### 2. Imports

Imports are made up of the usual selection of manufactured products which are needed by a non-industrial country of low per capita purchasing power. Due to the great need for both consumption and capital goods following six years of blockade, imports since the war have been relatively high compared with exports and have recently exceeded prewar volume.

Under the prewar system of empire preference, France naturally supplied the largest share of imports, 57% in 1938. In spite of a change to non preference as far as import duties are concerned, France has maintained her position and supplied 60% by value in 1947. Imports from the United States have been relatively larger since the war and amounted to 19 $\frac{1}{2}$ % in 1947. This dropped to 14% in the first ten months of 1948. Most of the balance came from China, Hong Kong, Siam, and India.

### 3. Balance of Trade

From 1906 until the war Indochina had a favorable balance of trade except in 1923, 1931, and 1932. The balance has now sharply changed and from January to October 1948 imports were valued at 1,764 million piastres and exports only 926, a deficit of 838 million.\* The foreign exchange problem is thus acute, particularly as concerns dollars. The deficit has been made up by France under the plan for the French Union. The failure to include Indochina for direct allotments under the Marshall Plan resulted in considerable delay in the 1948 Plan, and it is only in recent weeks that certain dollar allotments have been approved. Most imports from the United States in 1948 were delayed shipments under the 1947 Plan.

The ambitious ten year plan for the reconstruction and equipment of Indochina foresees large investments of capital. The present administrators of the plan expect most of this capital to come from government sources, and there is little place for private capital, either French or foreign. It is probable that present plans will have to be considerably modified to fit the new political conditions now developing.

### 4. Finance and Currency

Internal finances are in relatively good shape in spite of the critical foreign exchange problem. The central government has derived its chief income from customs fees, excise taxes and monopolies, of which the opium monopoly is the most lucrative. Subsidies were granted to provincial governments from the central budget.

During the past year a number of changes have taken place in preparation for the new political organization. The bank note monopoly has been taken from the powerful Banque de l'Indochine and is being transferred to a new Emission Institute. A separate Indochinese Treasury has been authorized, while the revenues from the excise taxes and monopolies were technically transferred to the Associated States on January 1, 1949. All these measures contemplate a closely knit economic federation for Indochina in which French participation and influence will be prominent. The individual states, particularly the Vietnam, are strongly opposed to this, and lengthy and bitter disputes with the French on economic and financial matters can be anticipated.

The Indochinese piastre was worth 10 francs from 1934 until 1946 when the rate was changed to 17. The rate of 6.95 piastres per dollar became 12.55 as a result of the French devaluation of January 1948. In October 1948 the system of a double exchange rate was extended to Indochina, the official rate remaining at 12.55 per dollar and the "free" rate fluctuating with the free franc. Current quotations are about 19 per dollar. Foreign trade transactions take place at the average of the two rates or about 15.70. The black market rate rose during 1948 from around 40 to about 55 per dollar. Even better rates are occasionally reported from Hong Kong and Bangkok.

### 5. Cost

---

\* It is difficult to convert these figures to dollars due to two devaluations during the period. Foreign trade is now conducted at about 15.7 piastres per dollar, the average between the official rate of 12.55 and the free rate of about 19.

5. Cost of Living

The cost of living has mounted rapidly since the war, and the index for Europeans in December 1948 was 2646 (first half 1939 = 100) compared with 1638 a year earlier. Comparative figures for native working classes were 3966 and 2802. For Americans attempting to operate at the "free" exchange rate, prices are outrageous.

Salaries tend to lag behind prices with resulting unrest among the working population and the large class of civil servants.

6. Conclusion

The basic problems of the economy of Indochina are similar to those of other Asiatic countries, with any increase in the standard of living tending to be checked by the rapid rise in the population. (Cambodia is an exception in that the population is static.) The development of the mineral resources and the industrialization of the country will require enormous amounts of capital and much time.

The immediate problem of restoring peace and order is primarily a political one.

GMA:MAC/jr

American Consulate General,

Saigon, Indochina, February 12, 1949.

MEMORANDUM ON INDOCHINA FOR NEW DELHI FOREIGN SERVICE CONFERENCE

SECTION V. CONSULAR AND ADMINISTRATIVE PROBLEMS

Administration

A problem which confronts all small offices, no doubt, is the unusually heavy load of administrative work in proportion to the amount of creative work turned out. The requirements of the Department for administrative reports, and the quantity of administrative detail involved in the daily operation of a small office is roughly the same as for a large office. The administrative instructions and the forms prescribed are naturally drafted with large offices in mind, and their use in a small office is difficult and results in a disproportionate amount of time spent on administrative work.

It is urged that the Department investigate this matter with a view to giving additional authority to the field to make decisions and also to transferring to the Department much of the "control" records and reporting that is now demanded of the field.

Alien Staff

Saigon has been experiencing considerable trouble in finding and keeping alien personnel, particularly French employees. Business houses are in a position to offer better salaries and a shorter work week, and the Consulate has been unable to compete. Recommendations have recently been sent to Washington which, it is hoped, will somewhat ameliorate this situation. A single wage including basic wage and temporary increase has been suggested, which will be semi-annually adjusted according to changes in the cost of living index. At the same time a position classification system has been established which allows in-grade promotions for merit and service.

To encourage the alien staff to continue its work with the Government, and to make them more valuable to the office, it is hoped that some way can be found within budget limitations to provide language and stenographic lessons for those members of the staff who appear to be qualified. Stenographers are almost impossible to find in Saigon, and it is, therefore, necessary for officers to consume much valuable time in drafting correspondence for typists. The cost of such training is nominal, the time allowed during working hours for the study would be negligible, and the results undoubtedly satisfying.

Supplies and Shipping

Saigon formerly experienced serious losses in shipments of official supplies and personal effects through short shipments, theft, and breakage. It was found that clearing agents usually took little interest in consular shipments since as a rule they are small and the return for the time and effort spent on clearing does not warrant making the extra effort to supervise carefully our shipments. The Consulate was still spending much time on each shipment in arranging

for the free entry of the goods and assisting the clearing agent.

It has been found that a considerable sum of money can be saved by training an alien employee to handle the entire clearance. He has sufficient official standing to permit him to expedite papers and clearance procedures that would otherwise take days, and by devoting his full time to the clearing of the shipment and moving the goods quickly losses have been cut to a large extent.

#### Mail and Courier Service

Saigon has been experiencing considerable delay in the transmission of pouch mail, both courier and unaccompanied air pouches. It is necessary to allow up to three weeks for the transmission of mail to the Department. It is possible that other offices in this area have been experiencing the same difficulty, and it is suggested that a concerted effort be made to encourage the Department to work out a more expeditious way to handle mail to and from Southeast Asia. Sea pouches take a minimum of six weeks to reach Saigon.

It is not safe to send personal correspondence of any importance through the open rail in Indochina. In spite of firm denials there is adequate proof that a form of censorship exists. This delays mail, and encourages the loss of enclosures and small packages.

#### Visitors to Indochina

It is again desired to point out to neighboring offices that Saigon is not able to guarantee accommodations to visiting business men, and only with great difficulty and with ample notice can accommodations be arranged for official visitors. A critical housing situation is not peculiar to Saigon. However, consular residences here are small and with the exception of the consul general's residence do not possess guest rooms. Even a confirmed reservation usually means a bed in a dormitory with from three to ten people.

Many unofficial travelers have been giving the Consulate General as a reference when applying for an entry visa. The French officials call at the Consulate General anticipating that we will give a guarantee of lodging. This, of course, is not possible, and it is, therefore, again urged that business men and tourists be warned that there may not be any accommodation available in Saigon and that they should make no attempt to come to Indochina unless they are assured in advance of lodging.

#### Consular

##### General

Saigon concurs with Batavia that some effort should be made to provide an operations manual for each consular office. New officers coming to the field for the first time, even after a training period in Washington, find it most difficult to familiarize themselves with their work. Often they are replacing someone who has already left



the post or who leaves shortly after his arrival. It is impossible to assimilate all the details of procedure in a short time, and for this reason detailed operating instructions should be made available.

The precedent file gives much valuable information about conditions peculiar to one particular post. However, for instructions regarding shipping, seamen, visas, and passports or notariats, a detailed guide is essential. In a small post an officer may never, during his tenure, have occasion to issue certain types of visas or experience unusual shipping and seamen problems. But occasionally these situations do arise, and an unexperienced officer has no recourse but to refer to some guide for assistance.

The Foreign Service Regulations are, of course, the basic manual. Experience has proven, however, that the sections on visas, passports, shipping and seamen, immigration and notariats are noticeably inadequate when detailed instructions are required. In the interest of efficient office routine and the proper execution of consular duties within the bounds of our present budget limitations, which makes it essential to operate with a small staff and a maximum of productive effort, it is urged that these portions of the regulations be re-examined with a view to improving their content so that they may serve as a helpful guide.

#### Telegram Rates

This post also agrees with Batavia that a concerted effort should be made to obtain reductions in telegraph rates between posts in this region. It is desired to point out to neighboring posts that there is considerable delay in transmission of telegrams between countries since radio circuits are open only once or at most twice a day, usually at night. Thus persons traveling by air to Saigon often reach here before the telegram announcing their arrival.

DMC/jr

7-1-4  
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6 P.M.

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Approved \_\_\_\_\_

AMCONSUL

SAIGON, INDOCHINA

77

Assumption Urtel 141 Dept desires success Baodai  
experiment entirely correct. Since appears be no other  
alternative to estab Commie pattern Vietnam, Dept considers  
no effort shld be spared by FR, other Western powers, and  
non-Commie Asian nations to assure experiment best chance  
succeeding.

x R  
519.00 B

At proper time and under proper circumstances Dept will  
be prepared do its part by extending recognition Baodai Govt  
and by exploring possibility of complying with any request  
by such Govt for US arms and econ assistance. Must be under-  
stood however aid program this nature wld require Congressional  
approval. Since US cld however scarcely afford backing govt  
which wld have color and be likely suffer fate of puppet regime,  
it must first be clear FR will offer all necessary concessions  
to make Baodai solution attractive to nationalists. This is  
step of which FR themselves must see urgent necessity view  
possibly short time remaining before Commie successes Chi are  
felt Indochina. Moreover, Baodai Govt must through own efforts  
demonstrate capacity organize and conduct affairs wisely so  
to ensure maximum opportunity obtaining requisite popular  
support inasmuch as govt created Indochina

R

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Indochina analagous Kuomintang wld be foredoomed failure.

Assuming essential FR concessions are forthcoming, best chance success Baodai wld appear lie in persuading Vietnamese nationalists (1) their patriotic aims may be realized promptly through FR-Baodai agreement (2) Baodai govt will be truly representative even to extent including outstanding non-Commie leaders now supporting Ho and (3) Baodai solution probably only means safeguarding Vietnam from aggressive designs Commie Chi. While attainment these objectives depends initially upon attitude FR and Baodai circle, Dept believes more will ultimately be required. Best hope might lie in active demonstration of interest in and support of Baodai solution by other non-Commie Asian govts. Appeal such solution to Vietnam nationalists wld presumably be far greater if it appeared sponsored by free Asian nations animated by interest self-determination Asian peoples and their own self-preservation in face immed Commie menade rather than if it had appearance gambit engineered by FR, US and UK as part strategy of West-East conflict.

Dept giving closest consideration to means whereby US might assist attainment these ends.

From above, you will see Dept thinking closely parallels

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your own. Dept agrees when time comes Baodai must certainly be fully warned of danger yielding to any temptation include Commies his govt and this connection again believes other Asian govts cld serve most useful purpose since India, Siam, Philippines, and Indonesians (both Repubs and Federalists) are fully alive growing Commie threat Asia.

Re last para Urtel 141 QTE reliability Baodai solution UNQTE was error. Deptel 70 shld have read QTE viability UNQTE meaning able live.

While Dept continues believe it wld be premature and unwise for you make special point (such as trip Dalat) see Baodai, there no objection your talking informally with polit personalities close to him with whom you have doubtless already made contact in normal course carrying out your functions. In such talks you might well as suggested Urtel 141 take occasion cite examples futility collaboration Comms and grave danger such course.

ACHESON

Acheson  
(R)

Telegraph Branch:

Send: AMCONSUL, SAIGON - 77 Repeat: AMEMBASSY, PARIS 1514

ES

WE

FE  
WAB

EUR  
LCS

FE: SEA: COgburn, Jr: ccp  
5/9/49 CD

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5 P.M. *[Handwritten initials]*

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MAY 20 1949

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AMCONSUL

SAIGON, INDOCHINA

83

Urtel 147:

*[Handwritten notes: 8519, 04/5-1349]*

Dept believes extent to which FR concessions embodied Mar 8 agreements will satisfy nationalists can be determined only by reaction nationalists themselves. Meanwhile wld appreciate your view.

While not fully informed provisions Mar 8 agreements plus associated documents, Dept fears nationalist opinion will follow line Duoc Viet editorial Apr 9 which states QTE although Vietnamese reassured on score their country's unification, they remain uneasy about question foreign relations and army. Vietnam sovereignty will not permit Vietnamese army be commanded by FR general nor will requirement of sovereignty be satisfied by diplomatic representation only in China, Siam and Vatican. UNQTE

As practical matter, Dept believes that when independence movement in colony too strong to be defeated, metropolitan power if it wishes preserve influence in area has no real choice but attempt establish special relationship with former colony based free acceptance terms by latter, and that assoc between metro politan power and former colony is more likely prove fruitful and durable if based free consent of latter than if transfer

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*[Handwritten notes: 7519.00, 8519.20]*

*[Handwritten circled number 2]*

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of autonomous powers to latter is made conditional upon its acceptance of such important qualifications upon its independence as continued metropolitan control its foreign relations and command armed forces.

However, Dept/~~AMAZER~~ <sup>persuaded</sup> FR unlikely make further concessions this time and that any US efforts press them do so wld probably miscarry. (Paris to indicate if this not correct.) Hope is, therefore, that FR will carry out their obligations under Mar 8 agreements with such generosity and expedition that impressively constructive atmosphere will be created and that at same time Viet nationalists will rapidly appreciate true character menace approaching from Chi and will prefer cooperate Baodai solution rather than accept alternative continued resistance and risk loss all real autonomy to Chi Commies. Presumably such outcome not impossible particularly if FR cld let it be understood Baodai agreement does not permanently define status Vietnam but provides basis for further early evolution.

At same time, shld it appear as Dept fears that FR are offering too little too late, Dept will not be inclined make up for FR deficiencies by rushing into breach to support Baodai agreements at cost its own remaining prestige Asia. ~~XXXXXXXXXX~~  
Dept considers US this stage shld avoid conspicuous position any kind

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kind and try reach common attitude with other interested govts,  
particularly UK, India and Philippines.

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Send to: AMCONSUL,  
SAIGON

ACHESON  
*Acheson*  
(RS)

Repeat to: AMEMBASSY,  
PARIS 1712

AMCONSUL ~~SAIGON~~ 13  
/ HANOI

FE: SEA: COgburn, Jr: ccp

5/18/49 *cc*

WE  
*Cleared with*  
*Mr O'Shaughnessy*  
*Rh*

FE  
*Cleared with*  
*Mr Buttsworth*  
*cc*

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*CR*  
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MAY 20 1949

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AMCONSUL

HANOI, INDOCHINA

*3519.01/5-11-49*

14

Reur informative tel 36:

*Saigon 145 May 11*

In talks Kuan and reps his govt you may take fol line as representing consensus informed Americans:

In light Ho's known background, no other assumption possible but that he outright Commie so long as (1) he fails unequivocally repudiate Moscow connections and Commie doctrine and (2) remains personally singled out for praise by interna ~~Commie~~ Commie press and receives its support. Moreover, US not impressed by nationalist character red flag with yellow stars. Question whether Ho as much nationalist as Commie is irrelevant. All Stalinists in colonial areas are nationalists. With achievement natl aims (i.e., independence) their objective necessarily becomes subordination state to Commie purposes and ruthless extermination not only opposition groups but all elements suspected even slightest deviation. On basis examples eastern Eur it must be assumed such wld be goal Ho and men his stamp if included Baodal Govt. To include them in order achleve reconciliation opposing polit elements and QTE national unity UNQTE wld merely postpone settlement issue whether Vietnam

to be independent nation or Commie satellite until circumstances

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*3519.01/5-11-49*

*probably*

*3519.01/5-11-49*

*3519.00B*

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probably even less favorable nationalists than now. It must of course be conceded theoretical possibility exists estab National Communist state on pattern Yugoslavia in any area beyond reach Soviet army. However, US attitude cld take acct such possibility only if every other possible avenue closed to preservation area from Kremlin control. Moreover, while Vietnam out of reach Soviet army it will doubtless be by no means out of reach Chi Commie hatchet men and armed forces.

Fol is for urinfo and such reference as you deem judicious:

Dept naturally considers only FR can through concessions to nationalist movement lay basis for solution Indochina problem. As suggested Deptel 73 to Saigon, if nationalists find concessions Mar 8 agreements inadequate, much may depend upon willingness FR put agreements in most favorable possible context by emphasizing expectations rapid evolution Vietnam beyond status envisaged those agreements. Provided FR display ~~such~~ realistic and generous attitude, most important part remainder immed program--viz, winning support nationalists away from Commie leadership--must devolve upon Bao dai and Xuan group seconded by other South Asian govts who stand in most immed danger from Commie conquest Indochina and who by full polit and

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propaganda

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propaganda support Baodai solution might more than anyone else be able to deprive Ho of talking-points in event he continues demand armed resistance Baodai regardless circumstances (which appears certain in light vitriolic tone current Vietminh broadcasts on Baodai which give no recognition any FR concessions to nationalist demands.) Even with conditions for US support Baodai realized, it futile expect US be able assist effectively this initial task beyond stressing requirements situation in talks South Asian govts and providing materials evidencing realities of Communism through USIS for distribution as you and Congen Saigon consider desirable in conjunction with Baodai efforts arouse compatriots to Commie menace. Experience Chi has shown no amt US mil and econ aid can save govt, even if recognized by all other powers and possessed full opportunity achieve natl aims, unless it can rally support people against Commies by affording representation all important natl groups, manifesting devotion to natl as opposed personal or party interests, and demonstrating real leadership.

Re Viet opinion reported Saigon's 145 that US abandonment Nationalist China presents unfavorable augury for non-Commie regime Vietnam, there no objection emphasizing to persons with this view that Nationalist China came to present pass through deficiency

above

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above qualities and lack will to fight, not because US QTE wrote it off UNQTE.

X/R  
501

Re Xuan query whether US wld propose Vietnam for membership UN shld FR renig, you shld avoid discussion this matter, at most if pressed state circumstances at moment will of course determine US action. For urinfo only it unlikely US cld even vote for Vietnam membership UN if as it appears now FR wld remain in control Vietnam fon relations.

ACHESON  
Acheson  
(RIS)

Telegraph Branch:

Send to: AMCONSUL,  
          HANOI

Repeat to: AMCONSUL,  
            SAIGON 84  
            AMEMBASSY,  
            PARIS 1713

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6/6/49

WE

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CD

CA

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EUR

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Mr. Thompson

EUR-X

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Mr. Murphy

UNP

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MAY 20 1949 P M

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JUN 6 1949 0

SECRET

No. 289

The Honorable  
David K. E. Bruce,  
American Ambassador,  
Paris.

Sir:

There is transmitted herewith a memorandum setting forth the Department's views on the agreement signed on March 8 by the President of France and the former Emperor of Annam defining the future status of the State of Vietnam. You are requested to present this memorandum to the Ministry of Foreign Affairs of the French Government.

It is suggested that the Embassy's note transmitting the memorandum be composed along the following lines:

"The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and, on instruction from its government, has the honor to transmit herewith certain comments of the Department of State on the agreement concluded on March 8, 1949, between the President of the French Republic and the former Emperor of Annam, which the Ministry of Foreign Affairs was kind enough to make available to the Government of the United States."

As an alternative, the presentation of the note by Mr. Charles E. Bohlen may appear preferable. The problems dealt with in the memorandum were discussed in a conversation with the Secretary of State shortly before his departure from Washington at which Mr. Bohlen was present.

Very truly yours,

For the Acting Secretary of State:

DOR NE Unit	
Ans.	<i>[Signature]</i>
Re.	<i>[Signature]</i>
Det.	
Dist.	Enclosure

W. Walton Butterworth  
Director for Far Eastern Affairs

Original and two copies  
of memorandum

200

As two copies of the original are...

851 G. 01/6-649

CS/A

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851 G. 01/6-649

JUN 6 1949

The Government of the United States is most appreciative of the action of the French Government in making available to it the text of the agreement concluded on March 8 between the President of France and the former Emperor of Annam defining the future status of the State of Vietnam. The agreement has been studied with the greatest interest by the Department of State.

As the French Government is aware, the United States Government has followed with some concern the course of events in French Indochina since the end of the war in the Pacific. This concern, it is needless to say, has been prompted by a realization that the forces which have contributed predominantly to the character of the Vietnamese nationalist movement are manifestations of the same forces which have worked profound changes in southern Asia generally and that the outcome of these

forces can be of considerable consequence for the world in general.

When at the end of the war it became evident that in most of the dependent countries of southern Asia the indigenous peoples were determined to control their own destinies in the future, the United States Government ventured to hope that the western nations would appreciate the strength of this resolution and willingly grant the essential demands of the nationalist movements. It was believed that in so doing, the metropolitan powers would be yielding what in any case they could expect to hold only by military force at great cost. In such event it seemed probable that the costs to the Metropolitan Government would be unrecoverable and the value of the colony and its possible contribution to world stability would be reduced by the ensuing hostilities. On the other hand it was believed that by promptly offering the necessary political concessions to the nationalist demands the metropolitan power would be adopting the course most likely

to result in a continued close and mutually fruitful relationship with the former colony, in the preservation of patterns of trade and economy long intermeshed, and in a readiness on the part of the colonial people to welcome the continued technical and administrative assistance of the metropolitan power. It appeared that only on such a basis would there be any real hope that the Western powers could retain their legitimate interests in the countries so closely associated with them over such long periods, and that among the new nations of southern Asia conditions of political stability and of freedom of political and economic development could be achieved enabling them to realize their potentialities and make their full contribution to the world.

Conversely, it seemed that an intention on the part of the metropolitan power to retain an authority which the dependent people was determined to exercise itself could result only in turning the nationalist movement into destructive channels. In these circumstances it

could be expected that widespread hostilities would result and that the consequent destruction of the facilities of production in the dependent area would cause economic setbacks seriously injurious to both peoples. Furthermore, it could be anticipated that the nationalist forces would turn increasingly to an uncompromising leadership which would react against cooperation with the West and against those free institutions which European civilization has evolved through long experience in self-government.

Events in southern Asia in the past four years have caused no revision of these views; and it is in the light of this estimate that the United States Government has examined the agreement of March 8 and offers its views.

Because of its conviction that concessions by France to the Nationalist movement commensurate with the strength of that movement can alone provide the basis for a resolution of the Indochinese situation and the creation of a stable, representative Vietnamese Government, the United States Government welcomes the step taken by the President of France in arriving at an agreement with ex-Empress Bao



Dai whereby the territorial unity of Vietnam, comprising Tonkin, Annam, and Cochinchina, may be realized and the Vietnamese State enjoy far-reaching powers of internal autonomy. It may be stated at once that in the opinion of the United States Government the Vietnamese people would be guilty of a mistake disastrous to their future should they reject this solution and give their support not to the Vietnamese Government formed under the March 8 agreement but to the so-called Democratic Republic of Vietnam. For those in command of this Republic are men trained in the methods and doctrine of international communism, and regardless of their present espousal of the nationalist cause, it cannot be ignored that they have never disavowed their Kremlin connections or repudiated the techniques and objectives of communism, which are the cause of so much suffering in the world today. It must be assumed, therefore, that should their government succeed in its aims, with the support or through the acquiescence of the Vietnamese people, the pattern of a foreign

totalitarianism will be clamped upon Vietnam under which all liberties, national and personal, will be lost. Such an outcome would not only be fatal to the welfare and hopes of the Vietnamese but would be most detrimental to the interests of all free peoples, particularly those of southern Asia who stand in most immediate danger of further Communist aggression.

However, the United States Government does not feel confident that the Vietnamese people in general will see the choice confronting them in these terms, especially in view of the isolating factors in their situation during most of the past decade. The Vietnamese nationalists who for the most part have been supporting the so-called Democratic Republic of Vietnam as the one agency which appeared to promise independence may not, it is feared, find the provisions of the March 8 agreement entirely appealing. In this connection, it should be pointed out that the United States Government is considering only this agreement since it is not familiar with the contents

of any associated documents which may bear upon the matter and does not know whether the March 8 agreement is intended to define the status of Vietnam permanently or to provide a basis for the further early evolution of the Vietnamese State.

The United States Government is inclined to believe that one of the strongest motivating forces behind nationalist movements among dependent peoples is resentment of the imputation of inferiority implicit in a subordinate status. When a people has fought for the goal of independence with such tenacity as that displayed by the Vietnamese resistance forces, it appears unlikely that it will be content with a position of anything less than equality with other peoples. It is feared that the concessions granted by the French Government may be obscured in the eyes of the Vietnamese by those terms of the agreement which are incompatible with Vietnamese national pride.

Should such feelings determine the reaction of the majority of Vietnamese<sup>am</sup> to a Government formed under the

March 8 agreement, then it must be supposed that the Communist-dominated "Democratic Republic of Vietnam" will continue to receive the support of these Vietnamese. Certainly as long as the Vietnamese are persuaded that the two-and-a-half-year-old war with France must be prosecuted to a conclusion if the goals for which they have fought are to be won, they will continue to regard the dominant Communist element of the Vietminh League in the light of its effective leadership of the nationalist movement and not of its inevitable intention to subvert the nationalist cause in the end to the requirements of international Communism, with which they have had little acquaintance as yet.

The United States Government would be lacking in frankness if it did not state that in its considered estimation the paramount question in Indochina now is whether the country is to be saved from Communist control. Under the circumstances, all other issues must be regarded as irrelevant. Much time has already been lost. The years since the end of the Pacific War have seen the Communist threat to Indochina intensified rather than other-

wise. The southward progress of Chinese Communist armies toward the northern frontier of Indochina introduces a new element that transforms an already serious situation into an emergency.

As it has made clear in the past, the United States Government is of the opinion that it must prove difficult to save this situation and to preserve Indochina from a foreign tyranny unless the French Government offers the Vietnamese the attainment of those nationalist goals which they would continue to fight for rather than forego and unless the Vietnamese can be convinced that they can, in fact, fully realize their patriotic aims through cooperation with the Government envisaged in the March 8 agreement. In its view, developments have reduced the choice in Indochina to simple alternatives: will Vietnam achieve independence through an agreement with France and with the assistance of France and maintain this independence fortified by collaboration with France, or will it achieve independence from France while at the same time falling victim to Communist totalitarianism?

THE UNITED STATES GOVERNMENT believes that the Vietnamese will willingly accept a partnership with France only if the equality of Vietnam is recognized and if, as a prior condition to the determination of the character of this relationship, the sovereignty of Vietnam is acknowledged. Observation of developments in southern Asia since the end of the war would seem to leave little doubt that a Union between France and Vietnam would be far more likely of attainment and would prove more fruitful and enduring if attained were the Union conceived not as an instrument for the control of one member by the other but as an agency of cooperation in fields of common interest, diplomatic, military, economic, and cultural, voluntarily espoused on both sides.

An approach to the future on these lines would appear to offer the greatest hope that French influence in Indochina may be preserved, which must be regarded as unquestionably to the best interests of the Indochinese, and that military and naval bases in Vietnam may be re-

tained by France and French economic rights be assured. By adopting this course the metropolitan country would appear to have little to lose and much to gain. Moreover, from a strictly practical point of view, the United States Government has been impressed by the difficulties likely to arise if in transferring autonomous powers to the government of a dependent territory the metropolitan power seeks, as a condition to such transfer, to subdivide sovereignty in the area by retaining certain transcendent rights to itself. For in this case the question of the precise division of authority is prone to present itself in connection with every field of government as the process of transfer is planned. In consequence, the prestige and good will which should accrue to the metropolitan power from its acceptance of a new order is likely to be dissipated in an atmosphere of discord and mistrust, as suspicion grows among the nationalists that the metropolitan power is in fact seeking to perpetuate its existing controls. In consequence the process of giving definition

indefinitely protracted, with results which may defeat the enterprise.

┌ A dispassionate appraisal leads the United States Government to believe, in short, that the preservation of Indochina's integrity depends, in the first place, upon the willingness of the metropolitan country to give assurances that Vietnam is to exercise control of its destinies; that its participation in the French Union will be upon terms freely accepted by representatives enjoying the confidence of the Vietnamese people when these shall have been assembled; that the powers of administration exercised by France in Vietnam will be transferred to the Vietnamese as soon as conditions permit the institution and functioning of the new regime; and that the deployment of French forces in Vietnam outside their bases is to be accounted for in terms of the defense of Vietnam against the protagonists of a supra-national totalitarianism who would surrender Vietnam to alien controls.



In the second place, much would appear to depend upon the readiness of the heads of the Vietnamese Government formed under the March 8 agreement to invite the participation in this Government of bonafide and truly nationalist leaders of Vietnam, including those who have heretofore supported the "Democratic Republic of Vietnam", to the end that this Government may provide dynamic leadership and obtain the confidence of the nationalist elements comprising the major part of the resistance forces.

Such an approach to the problem would best appear to lay the basis for the clear separation of nationalists from Communist elements in Vietnam; for those who persisted in resisting a Vietnamese Government through which all nationalist aims could be realized in favor of continued adherence to the "Democratic Republic of Vietnam" would in effect be acknowledging that their goals were not nationalist but Communist. The achievement of this distinction would appear to be the sine qua non of a solution of the Indochina problem.

Having demonstrated its capacity to rally the nationalist majority of Vietnamese to its support, the Government formed under the March 8 agreement would -- it would seem to the United States Government -- have grounds for appealing for the support of all free nations. The United States Government would hope that this appeal would be generally heeded, especially by the other Governments of southern Asia which, themselves having every reason to regard the further extension of Communist controls in the region with alarm, could fill a vitally important role by clarifying for the Vietnamese people the issues confronting them on the basis of their own experience and undoubted fidelity to the cause of self-determination by the Asian peoples.

The United States Government is, however, convinced that if the requisite concessions by the French Government to the nationalist demands are not forthcoming, the task of the Government envisaged in the March 8 agreement must prove most difficult of accomplishment and the countries adjacent to Indochina will most likely be confronted by

the prospect of the appearance of sizable Communist-controlled forces on their frontiers.

It goes without saying that the earnest hope of the United States Government is that the Government formed under the March 8 agreement will succeed in its crucial task. At the same time it would appear axiomatic that insofar as the probabilities of its success are related to the extent of international support it obtains, the decision of a third party in respect of the feasibility of its extending support or assistance must be governed by the extent to which the French Government has itself provided that Government with the political advantages upon which its appeal to the Vietnamese must be based. Clearly the success of this Government must rest in the first instance, upon those means of accomplishing its purpose which only the French Government can provide.

In taking advantage of the relations of cordiality and mutual understanding it enjoys with the French Government by offering this frank appraisal, the United States Government has been prompted only by the thought that it

should not leave the direction of its thinking a matter  
of doubt and that an exchange of views might be advan-  
tageous considering all that is involved in the outcome  
of the situation in Indochina.

JUN 6 1949

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June 10, 1949

NOTE BY THE EXECUTIVE SECRETARY

to the

NATIONAL SECURITY COUNCIL

on

U. S. POLICY TOWARD ASIA

The enclosed memorandum by the Secretary of Defense on the subject is circulated herewith for the information of the National Security Council and referred to the NSC Staff; as requested in the second paragraph thereof, for the preparation of a report for consideration by the Council.

SIDNEY W. SOUERS  
Executive Secretary

DISTRIBUTION:

The President  
The Secretary of State  
The Secretary of Defense  
The Secretary of the Army  
The Secretary of the Navy  
The Secretary of the Air Force  
The Chairman, National Security  
Resources Board

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THE SECRETARY OF DEFENSE  
Washington

June 10, 1949

MEMORANDUM FOR THE EXECUTIVE SECRETARY  
NATIONAL SECURITY COUNCIL

Subj: United States Policy Toward Asia

1. I am becoming increasingly concerned at the course of events in Asia. The advance of communism in large areas of the world and particularly the successes of communism in China seriously affect the future security of the United States. I am aware that this critical situation is being watched closely in the several departments of the government, and I appreciate that the current problems are being handled as realistically as circumstances permit. It occurs to me, however, that this day-to-day, country-by-country approach may not develop a broad program in our best long-range interests.

2. A major objective of United States policy, as I understand it, is to contain communism in order to reduce its threat to our security. Our actions in Asia should be part of a carefully considered and comprehensive plan to further that objective. I therefore request that the staff of the National Security Council undertake as soon as practicable a study of the current situation in Asia to re-examine and correlate current policies and to appraise the commitments and risks involved in the various courses of action--political, economic and military--which might be undertaken in support of the broad objective and recommend for the consideration of the National Security Council an appropriate plan of action outlining specific objectives to be achieved.

/s/ LOUIS JOHNSON

FORM DS-322  
7-18-46

OUTGOING TELEGRAM

CLASSIFICATION

INDICATE

Collect

Charge Department

Charge to

Department of State

Washington **SECRET**

7 P.M.  
**SECRET CONTROL**

5504

JUN 20 1949

AMEMBASSY,

RANGOON.

145

On JUN 14 new Vietnam State ESTAB under Bao Dai as associated state of FR Union with wide attributes internal and external sovereignty but with FR retaining measure of control over external relations and defense, FR troops remaining in Vietnam. Refer Fortnightly summaries for additional background especially Bao Dai statement JUN 14.

*XR*  
*851.73519*

DEPT will make statement to press JUN 21 substantially same DEPCIRTEL JUN 14.

*8519.01 / 6-1449 XR 8519.001*  
*XR 8512.000*

FYI DEPT Recently sent Paris for delivery FONOFF memo commenting MAR 8 agreement (basis new Vietnam State), expressing view success Bao Dai solution depends first instance upon readiness FR provide him with means satisfying aims nationalist majority Vietnam, that if requisite FR concessions forthcoming and Viet GOVT evidences capacity rally support substantial percentage Viets such GOVT wld have grounds for appealing for support free nations, which US Hopes wld be generally heeded. Shld FR GOVT and Viet

8519.01/6-2049

DISTRIBUTION DESIRED (OFFICES ONLY)

GOVT envisaged MAR 8 agreement make success this venture.

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*8519.01/6-2049*  
*OS/H*

US with expectation coordination BRIT wld seek obtain backing other South Asian GOVTS and itself lend support including recognition new regime and extension such assistance as possible in circumstances. Other hand, shld FR and Viet GOVTS fall short what incumbent upon them, US wld refrain from supporting Bao Dai solution and it wld be clear as to why US unable prevent COMMIE control Vietnam.

Memo will be delivered only orally and in part as EMB Paris reports its delivery at this time wld impede rather than encourage FR to move along lines DEPT desires.

If Bao Dai regime succeeds and we are able get Indian approval Bao Dai GOVT, possibility may eventually develop get GOB approval. However understand Burmese have friendly attitude Ho Chi Min faction which believed propagandizing in BURM against Bao Dai.

*Suggestion*  
For your consideration and action your discretion we <sup>suggestion</sup> advance/~~theory~~ that you explain GOB importance to Asia of success Bao Dai regime which might thereby create bulwark against COMMIE control Vietnam. If COMMIES gain control IC, THAI and rest SEA will be imperiled. You may also express hope GOB will refrain from public statements which

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WLD prejudice chances his success.

In explaining our position GOB you may PT out that failure Bao Dai experiment may well result shortly in COMMIE control IG; that in view internal POLIT practicalities FR, MAR 8 agreement represents for moment maximum concessions which FR GOVT could make; that Bao Dai is only person visible at present about whom Vietnamese nationalists may group. You may also PT out that Ho Chi Min has long record as agent of thirdINTERNATL including service SOV CONS to Canton 1925 under Borodine, was organizer IC COMMIE Party and that his recent actions have not changed DEPT's belief that he remains COMMIE.

You may state that US regards ESTAB Bao Dai GOVT as only first step in evolution Vietnam problem and that we believe in time FR will have to move far beyond concessions thus far made in order accommodate nationalist aspirations Vietnamese people.

Even if impracticable for you approach GOB along these lines now, foregoing explanation our position may be

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useful replying any questions this matter from GOB  
officials.

FYI DEPT planning approach THAI and PHIL GOVTS  
with view obtain some public expression encouragement  
for Bao Dai solution.

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*(Army)*

WEBB

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6-20-49

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Cleared in  
draft with SEA  
Mr. O'Sullivan and  
Mr. Reed

INCOMING AIRGRAM  
Department of State

2027

FROM: Amembassy, London

DATE: NOV 9, 1949

RECD: Nov. 15, 1949 2:12 pm

Mailed: Unknown

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Secretary of State,  
Washington.

A-2063

Following in substance are the recommendations made at the Singapore Conference in regard to Indo-China:

1. A failure of the Bao Dai experiment would inevitably result in a complete French withdrawal from Indo-China; therefore U.S. and Commonwealth Governments should join the UK in assisting the French in support of Bao Dai.

2. In view of the urgency of the situation Western nations cannot afford to await prior sponsorship of Bao Dai by the Asiatic nations. It is therefore recommended that after the transfer of sovereignty to Vietnam on January 1 the UK support the new regime.

3. Following action is recommended:

a. The French should be asked to clarify the legal status of the Vietnam.

b. De jure recognition is not possible until March 8th Agreement is ratified. It is therefore recommended that de facto recognition of Vietnam be granted on the

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A-2063

Dated: NOV 9, 1949

From: Amembassy, London.

transfer of sovereignty. It would be desirable to inform Bao Dai of the British Government's intention before the British Government recognizes the new Chinese government.

- c. The French should be encouraged to expedite the ratification of the March 8th Agreement and the transfer of the control of Indo-Chinese affairs from the Ministry of Overseas France to the Foreign Office.

4. It is hoped that Secretary of State Acheson will issue a public statement with regard to Indo-China similar to that made with regard to Hong Kong on May 18th when he stated that in the event of an attack on Hong Kong the United States will fulfil its duties under the Charter of the United Nations.

5. The UK should consult closely with the French in Indo-China with regard to anti-Communist propaganda.

6. Neutrality from India is the most that can be expected.

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December 23, 1949

NOTE BY THE EXECUTIVE SECRETARY

to the

NATIONAL SECURITY COUNCIL

on

THE POSITION OF THE UNITED STATES  
WITH RESPECT TO ASIA

Reference: NSC 48 and related papers.

The enclosed report on the subject has been prepared by the NSC staff pursuant to NSC 48 and related papers, with the advice and assistance of representatives of the Secretaries of State and Defense and of the Acting Chairman, National Security Resources Board and the Director of Central Intelligence.

The enclosure is submitted herewith for discussion at the special meeting of the National Security Council scheduled for December 29, 1949, and for whatever action the Council may decide to take with respect thereto.

SIDNEY W. SOUERS  
Executive Secretary

cc: The Secretary of the Treasury

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December 23, 1949

D R A F T

REPORT BY THE NATIONAL SECURITY COUNCIL

on

THE POSITION OF THE UNITED STATES  
WITH RESPECT TO ASIA

THE PROBLEM

1. To assess and appraise the position of the United States with respect to Asia\* on the basis of our national security interests.

ANALYSIS

General Considerations

2. The peoples and countries of Asia have in common a heavy pressure of population on scanty or underdeveloped natural resources and a consequent meager standard of living: disruption experienced in the war: the vigorous nationalistic spirit which characterizes newly independent states or restive colonies: and active discontent with their prevailing social, economic and political institutions. In other words the Asians share poverty, nationalism, and revolution. The United States position with respect to Asia is therefore that of a rich and powerful country dealing with a have-not and sensitively nationalistic area, and of competition together with friendly countries against the USSR for influence on the form and direction of the Asiatic revolutions.

\*For the purposes of this report "Asia" is defined as that part of the continent of Asia south of the USSR and east of Iran together with the major off-shore islands--Japan, Formosa, the Philippines, Indonesia and Ceylon.

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3. Asia is an area of significant potential power--political, economic and military. The development in this region of stable and independent countries friendly to the United States and seeking to direct their potential power into constructive channels would enhance the security of Asia and strengthen the world position of the United States. Conversely, the domination of Asia by a nation or coalition of nations capable of exploiting the region for purposes of self-aggrandizement would threaten the security of Asia and of the United States. Recognition of these principles has been implicit in our traditional policies toward Asia; We have consistently favored a system of independent states and opposed aggrandizement of any powers which threatened eventual domination of the region.

4. Our over-all objective with respect to Asia must be to assist in the development of truly independent, friendly, stable and self-sustaining states in conformity with the purposes and principles of the United Nations Charter. In order to achieve this, we must concurrently oppose the domination of Asia by any single country or coalition. It is conceivable that in the course of time a threat of domination may come from such nations as Japan, China, or India, or from an Asiatic bloc. But now and for the foreseeable future it is the USSR which threatens to dominate Asia through the complementary instruments of communist conspiracy and diplomatic pressure supported by military strength. For the foreseeable future, therefore, our immediate objective must be to contain and where feasible to reduce the power and influence of the USSR in

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Asia to such a degree that the Soviet Union is not capable of threatening the security of the United States from that area and that the Soviet Union would encounter serious obstacles should it attempt to threaten the peace, national independence or stability of the Asiatic nations.

Political Considerations

5. Asia is in the throes of political upheaval. Communist attempts to capture leadership of this revolution, nationalism and the revolt against colonial rule, the emergence of new nations, the decline of western influence, the absence of a stabilizing balance of power, the prevalence of terrorism, economic distress and social unrest, and the repercussions of the struggle between the Soviet world and the free world are currently disruptive forces. The conditions now prevailing in Asia render the realization of United States objectives there difficult and facilitate expansion of the area of both communist control and Soviet influence.

6. The USSR is now an Asiatic power of the first magnitude with expanding influence and interests extending throughout continental Asia and into the Pacific. Since the defeat of Japan, which ended a balance of power that had previously restrained Russian pressures in China and the Pacific, the Soviet Union has been able to consolidate its strategic position until the base of Soviet power in Asia now comprises not only the Soviet Far East, but also China north of the Great Wall, Northern Korea, Sakhalin, and the Kuriles. The islands of Japan and the subcontinent shared by India and Pakistan are the major Asian power centers remaining outside the



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Due to a mechanical failure, Numbers 229 through 238 were not used in consecutive pagination. The text of Page 228 is continued without omission on the page numbered 239.

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Soviet orbit. If, Japan, the principal component of a Far Eastern war-making complex, were added to the Stalinist bloc, the Soviet Asian base could become a source of strength capable of shifting the balance of world power to the disadvantage of the United States. Should India and Pakistan fall to communism, the United States and its friends might find themselves denied any foothold on the Asian mainland.

7. While the military advantages of this position to the USSR are great, the general Far Eastern situation also gives the USSR significant political advantages. In estimating the degree of political pressure that the USSR may exert from its present position in Asia, it should be remembered that its proteges deal with Asiatic peoples who are traditionally submissive to power when effectively applied and habituated to authoritarian government and the suppression of the individual. Moreover, the USSR in Asia as elsewhere with relatively little overt interference in other states, at relatively small cost, and at limited risk, is able to give assistance and impetus to native communist movements. The political offensive of the Kremlin or its proteges also tends to gather additional momentum as each new success increases the vulnerability of the next target.

8. Japan has ceased to be a world power, but retains the capability of becoming once more a significant Asiatic power. Whether its potential is developed and the way in which it is used will strongly influence the future patterns of politics in Asia.

As a result of the occupation, Japan's political structure has been

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basically altered and notable steps have been taken toward the development of democratic institutions and practices. Despite these advances, however, traditional social patterns, antithetical to democracy, remain strong. The demonstrated susceptibility of these patterns to totalitarian exploitation is enhanced by economic maladjustment which may grow more serious as a result of population increases and of obstacles to the expansion of trade.

9. Although, in terms of the Japanese context, an extreme right-wing movement might be more effective in exploiting traditional patterns and current dislocations than one of the extreme left, a number of factors combine to make the threat of Communism a serious one. These factors include the close proximity to a weak and disarmed Japan of Communist areas with the attendant opportunities for infiltration, clandestine support of Japanese Communist efforts, and diplomatic pressure backed by a powerful threat; the potential of Communist China as a source of raw materials vital to Japan and a market for its goods; and the existence in Japan of an ably-led, aggressive, if still relatively weak, Communist movement which may be able to utilize Japanese tendencies toward passive acceptance of leadership to further its drive for power while at the same time exploiting economic hardship to undermine the acceptability to the Japanese of other social patterns that are antithetical to Communist doctrines.

10. Even if totalitarian patterns in Japan were to reassert themselves in the form of extreme right-wing rather than Communist domination, the prospect would remain that Japan would find more

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compelling the political and economic factors moving it toward accommodation to the Soviet orbit internationally, however anti-Communist its internal policies, than those that move it toward military alliance with the United States. Extreme right-wing domination of Japan, moreover, although less immediately menacing to the United States than Communist control would represent a failure, particularly marked in the eyes of other non-Communist Asiatic countries, of a major United States political effort.

11. A middle of the road regime in Japan retaining the spirit of the reform program, even if not necessarily the letter, would in the long-run prove more reliable as an ally of the United States than would an extreme right-wing totalitarian government. Under such a regime the channels would be open for those elements in Japan that have gained most from the occupation to exercise their influence over government policy and to mold public opinion. Such a regime would undoubtedly wish to maintain normal political and economic relations with the Communist bloc and, in the absence of open hostilities, would probably resist complete identification either with the interests of the United States or the Soviet Union. The existence of such a regime, however, will make possible the most effective exercise of United States political and economic influence in the direction of ensuring Japan's friendship, its ability to withstand external and internal Communist pressure, and its further development in a democratic direction.

12. The basic United States non-military objectives in Japan, therefore, remain the promotion of democratic forces and economic stability before and after the peace settlement. To further this

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objective the United States must seek to reduce to a minimum occupation or post-occupation interference in the processes of Japanese Government while at the same time providing protection for the basic achievements of the occupation and the advice and assistance that will enable the Japanese themselves to perpetuate these achievements; provide further economic assistance to Japan and, in concert with its allies, facilitate the development of mutually beneficial economic relations between Japan and all other countries of the world; make it clear to Japan that the United States will support it against external aggression while at the same time avoiding the appearance that its policies in Japan are dictated solely by considerations of strategic self-interest and guarding against Japan's exploitation of its strategic value to the United States for ends contrary to United States policy interests; and promote the acceptance of Japan as a peaceful, sovereign member of the community of nations.

13. The United States has taken the lead in assisting the efforts of the Korean people to regain that independence promised them at Cairo. In NSC 8/2, approved by the President on March 23, 1949, it was agreed that "if the significant gains made thus far, in terms both of the welfare and aspirations of the Korean people and of the national interest of the United States are to be consolidated, the United States must continue to give political support and economic, technical, military and other assistance to the Republic of Korea." The principal objective of this policy is to strengthen that Government to the point where it can (1) success-

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fully contain the threat of expanding Communist influence and control arising out of the existence in north Korea of an aggressive Soviet-dominated regime, and (2) serve as a nucleus for the eventual peaceful unification of the entire country on a democratic basis.

14. It can be assumed that under present circumstances the communists have the capability of dominating China. Communist domination of China is significant to the USSR primarily because it enhances USSR capabilities for obtaining Soviet objectives in Asia. Soviet ability to capitalize on the situation in China will depend on the degree of control that the Kremlin can exert over Chinese communist leaders, and on the control that the Chinese communists can exert over all elements of Chinese society. Development of these two varieties of control will not necessarily proceed in parallel. The formidable problems of overpopulation, limited and undeveloped natural resources, technical backwardness, and social and political lag which confront the Chinese communists have contributed to the downfall of every Chinese regime in recent history. Chinese communist success in surmounting their internal difficulties might well be accompanied by a lessening rather than an intensification of their subservience to the Kremlin. Similarly Chinese communist failure to achieve an effective solution of China's problems might drive the Chinese communists to depend more rather than less on the USSR. For the very immediate future it may be assumed that both Kremlin influence on the Chinese communists and Chinese communist control over China will grow more firm and that China will represent a political asset to the USSR in accomp-

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lishment of its global objectives. But longer range development of Kremlin influence over the Chinese communists will be subject to the interplay of such presently unpredictable factors as Chinese communist effectiveness, USSR policy toward the Chinese communists, and the relations between the Chinese communists and the non-communist world. If the Kremlin should attempt to extend to China the pattern of political and economic control and exploitation that has characterized its relations with its European satellites, it is quite possible that serious frictions would develop between the Chinese communist regime and Moscow. Moreover, an attempt by the USSR to mobilize directly all Chinese resources in pursuance of its strategic objectives might well result in China's becoming more of a liability than an asset to the Soviet Union. The actions of the United States or of other Western powers cannot be expected greatly to weaken Chinese communist control of China in the foreseeable future, but may have influence on the relations between the Chinese communists and the USSR. In fact, any attempt on the part of the United States openly to deny Chinese territory such as Formosa to the communists would probably react to the benefit of the communists by rallying all the anti-foreign sentiment in China to their side.

15. Furthermore, action by the U. S. to occupy Formosa would inevitably expose the U. S. to charges of "imperialism" and seriously affect the moral position of the U. S. before the bar of world opinion, particularly in the Far East, at a time when the U. S. is seeking to expose Soviet imperialist designs on other nations. Such action would provide the Chinese communists with an irredentist

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issue for their propaganda against the U. S. and a cause which would rally almost unanimous public sentiment behind them in China.

16. It is not believed that denial of Formosa to the Chinese communists can be achieved by any method short of actual U. S. military occupation. As a CIA intelligence estimate of October 19, 1949 (ORE 76-49, concurred in by the intelligence organizations of the Departments of State, Army, Navy and Air Force) states:

"Without major armed intervention, U. S. political, economic, and logistic support of the present Nationalist island regime cannot insure its indefinite survival as a non-communist base. Communist capabilities are such that only extended U. S. military occupation and control of Taiwan can prevent its eventual capture and subjugation by Chinese communist forces. Failing U. S. military occupation and control, a non-communist regime on Taiwan probably will succumb to the Chinese communists by the end of 1950."

17. In the light of the foregoing, and in view of the estimate of the JCS, reaffirmed in NSC 37/7 of August 22, 1949, that "the strategic importance of Formosa does not justify overt military action. . .", it is believed that U. S. military occupation of Formosa, which would require concurrent responsibility for the administration of the Island, would not be in the U. S. national interest.

18. On December 23, 1949, the Joint Chiefs of Staff stated that events which have taken place in China have not changed their above views (NSC 37/7, dated August 22, 1949). However, within these limitations, the Joint Chiefs of Staff believe that a modest, well-directed and closely supervised program of military advice and assistance to the anti-Communist government in Formosa would be in the security interest of the United States, and should be integrated with a stepped-up political, economic and psychological program



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pursued energetically in extension of present United States programs there.

19. In south Asia we are favored by the fact that communist groups and leaders played a minor part in the nationalist movements of the area, which attained independence through a peaceful transfer of power by the British. The present south Asian governments are non-communist and, except in Burma, are maintaining law and order and have good prospects of remaining in power for the next few years. Soviet and Chinese communist hostility and internal communist opposition, on the one hand, and friendliness and circumspection on the part of the United States, the United Kingdom and the other Western powers, on the other, have during the past two years strengthened the Western orientation of the south Asian governments.

20. India and Pakistan, the pivotal nations of the area, inherited from the British well trained armies, a corps of experienced civil administrators, transport and communications facilities well developed by Asian standards, important agricultural and extractive industries, and a few large-scale processing and manufacturing industries. They, and Ceylon, remain within the Commonwealth and have significant military, economic and cultural ties with the United Kingdom--as does Burma which chose to leave the Commonwealth.

21. There are, unfortunately, adverse factors which threaten the continued relative stability of south Asia. Active disputes between India and Pakistan and between Pakistan and Afghanistan,

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and suspicion of India in varying degree among its smaller neighbors at the minimum impede essential regional cooperation. At the unlikely maximum, they could embroil the area in war. Internally, all the governments of south Asia are faced with the necessity of bringing to their peoples within the next few years at least some hope of improved economic and social conditions. Failing this, they may lose control to extreme groups of the right or the left.

22. Consideration of the foregoing unfavorable aspects of the south Asian situation together with the current reluctance of the area to align itself overtly with any "power bloc" leads to the conclusion that it would be unwise for us to regard south Asia, more particularly India, as the sole bulwark against the extension of communist control in Asia. We should, however, recognize that the non-communist governments of the area already constitute a bulwark against communist expansion. We should accordingly exploit every opportunity to increase the present Western orientation of south Asia and to assist, within our capabilities, its non-communist governments in their efforts to meet the minimum aspirations of their people and to maintain (in the case of Burma to restore) internal security.

23. The current conflict between colonialism and native independence is the most important political factor in southeast Asia. This conflict results not only from the decay of European imperial power in the area but also from a widening political consciousness and the rise of militant nationalism among the subject peoples. With the exception of Thailand and the Philippines,

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the southeast Asia countries do not possess leaders practiced in the exercise of responsible power. The question of whether a colonial country is fit to govern itself, however, is not always relevant in practical politics. The real issue would seem to be whether the colonial country is able and determined to make continued foreign rule an overall losing proposition for the metropolitan power. If it is, independence for the colonial country is the only practical solution, even though misgovernment eventuates. A solution of the consequent problem of instability, if it arises, must be sought on a non-imperialist plane. In any event, colonial-nationalist conflict provides a fertile field for subversive communist activities, and it is now clear that southeast Asia is the target of a coordinated offensive directed by the Kremlin. In seeking to gain control of southeast Asia, the Kremlin is motivated in part by a desire to acquire southeast Asia's resources and communication lines, and to deny them to us. But the political gains which would accrue to the USSR from communist capture of southeast Asia are equally significant. The extension of communist authority in China represents a grievous political defeat for us; if southeast Asia also is swept by communism we shall have suffered a major political rout the repercussions of which will be felt throughout the rest of the world, especially in the Middle East and in a then critically exposed Australia. The United States should continue to use its influence looking toward resolving the colonial nationalist conflict in such a way as to satisfy the fundamental demands of the nationalist-colonial conflict, lay the basis for

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political stability and resistance to communism, and avoid weakening the colonial powers who are our western allies. However, it must be remembered that the long colonial tradition in Asia has left the peoples of that area suspicious of Western influence. We must approach the problem from the Asiatic point of view in so far as possible and should refrain from taking the lead in movements which must of necessity be of Asian origin. It will therefore be to our interest wherever possible to encourage the peoples of India, Pakistan, the Philippines and other Asian states to take the leadership in meeting the common problems of the area.

24. Although European influence has certainly declined throughout Asia and European powers are no longer able fully to shape the course of events in that part of the world, nevertheless the influence of such powers is by no means negligible. This is particularly true of the United Kingdom because of the advanced policies followed in Asia by that nation since the end of the war. With the successful conclusion of the Round Table talks at the Hague (for which this Government can claim preeminent credit) the Dutch will undoubtedly regain much of their lost popularity. It would be to the interest of the United States to make use of the skills, knowledge and long experience of our European friends and, to whatever extent may be possible, enlist their cooperation in measures designed to check the spread of USSR influence in Asia. If members of the British Commonwealth, particularly India, Pakistan, Australia and New Zealand, can be persuaded to join with the United Kingdom and the United States in carrying out constructive measures

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of economic, political and cultural cooperation, the results will certainly be in our interest. Not only will the United States be able thus to relieve itself of part of the burden, but the cooperation of the white nations of the Commonwealth will arrest any potential dangers of the growth of a white-colored polarization.

25. With the rise of new nations and the decline of colonialism, a consciousness of common interests and a demand for regional collaboration is beginning to take form among the countries of Asia. However, the wide diversity of political organization and development, the lack of a tradition of cooperation and a sound economic basis for large-scale mutual trade, and the suspicions with which the weaker nations of Asia view the stronger, have all operated to delay the formation of any regional organization up to the present. But efforts continue and will probably increase in tempo as the advance of Soviet influence becomes more and more a direct threat. As stated above the peoples of Asia are suspicious of the West and in any cooperation the United States may extend to a developing regionalism it will be necessary to do nothing which would excite further suspicion of our motives. Asian leaders have already taken the initiative in this matter and it should continue to rest in their hands. There are many indications for example that India aspires to draw Ceylon, Burma and southeast Asia into a regional association. These aspirations are aided by the considerable moral influence which India enjoys throughout this area, derived from the great prestige of its revolutionary leaders and its position as the largest of the Asian dependencies to become independent of colonial

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rule. India has gained additional goodwill by its strong support of the Indonesian independence movement. Prime Minister Nehru is, however, aware of the difficulties of creating an effective regional organization in south and southeast Asia, and is moving slowly and cautiously. He and other Indian leaders prefer that such an association develop from indigenous desires and would not look with favor upon attempts by outside powers to impose, or even too actively to foster, a regional organization of the area. United States interests would appear to demand that our sympathetic support be given to Asiatic leaders to the end that any regional association which may develop be one with which we could cooperate on equal terms and which would be in harmony with the UN Charter.

26. Asia is only one of several fronts on which the United States directly or indirectly confronts the USSR. Pressures, or lack of them, on any front affect all the others. The fortunate circumstance of occupying a favorable geographic position both in Europe and in Asia allows the USSR great flexibility in the pressures it may apply. Operating from the center of the Eurasian continent, it may advance or retreat in the east or in the west as the occasion demands. Because there is no longer a force either in Europe or Asia which can withstand without full United States assistance the power of the USSR if it should be unleashed, determination of the effective use of United States power, in its total sense, on any or all of its fronts with the USSR-European, Near Eastern, or Asiatic--requires decisions based upon a constant and skillful re-evaluation of the costs involved and the probable results to be

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obtained in each case, both in the event of war and its probable aftermath, and in the event of continued peace. The United States for its part must be able to apply pressure on fronts at times of its own choosing rather than spreading itself thin in reacting to every threat posed by the Soviets if it is not to lose the advantages of the initiative in the struggle between the Soviet world and the free world. Mobilization of our cold war potential and implementation by effective techniques is essential.

27. United States ability to exert counter influence against the Kremlin in Asia rests on U. S. ability to provide economic assistance and cooperation to Asiatic countries; on preservation and development of the U. S. traditional reputation as a non-imperialistic champion of freedom and independence for all nations; on the frictions which will arise between Asiatic nationalisms and USSR imperialism; on U. S. cultural and philanthropic contacts in Asia; on U. S. ability to exert constructive influence on the European Far Eastern colonial powers and to gain assistance from these powers in the Far East; on U. S. military power, and on the U. S. strategic position in the Pacific. Appropriate development and utilization of these U. S. assets in Asia through effective diplomacy and propaganda will naturally increase the influence which the United States can now bring to bear to check the USSR in that area.

28. It must be remembered, however, that helping Asiatic countries to resist USSR pressure is not something we can do by our own policy alone. We will depend for success on interaction between

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our  
/policy and what already exists in the way of will and ability to resist on the part of the Asiatic countries themselves. It must also be borne in mind that the sweeping changes which have been taking place in Asia since the war have been stimulated in very considerable part by the determination of the peoples of Asia to control their own destinies and to redress the grievances of the past which they associate with foreign rule and foreign influence. Intervention in their affairs, particularly by the Western powers, however well-intentioned, will of itself be suspect and be likely to result in the undoing of the very interests which prompted the intervention. In the conflict between the U. S. and the USSR, the advantage in the long run in Asia is likely to rest with the side which succeeds in identifying its own cause with that of the Asian peoples and which succeeds in working in harmony with the dominant motivating forces in Asia today and in influencing these forces rather than attempting by direct or impatient methods to control them.



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Strategic Considerations

29. The potential power of Asia is strategically significant both to the United States and to the USSR because of its capacity in the long run to affect the relative military strength of these two countries and hence the character of military operations in the event of war between them. Translation of the Asian power potential into military strength would require development of each of its elements--organization and training of manpower, exploitation of natural resources, development of sea transportation, improvement of communications and further industrialization--as well as their integration toward coordinated objectives. Even given the most favorable atmosphere for development, including the power to consolidate as necessary, the authority to divert channels of trade, and the military force required to protect long sea routes and other lines of communication--the full development of Asia's potential power is a long-term affair. In the power potential of Asia, Japan plays the most important part by reason of its industrious, aggressive population, providing a large pool of trained manpower, its integrated internal communications system with a demonstrated potential for an efficient merchant marine, its already developed industrial base and its strategic position. Because of Japan's economic importance in Asia, of the extreme vulnerability of Japan to blockade, of the long period required under the best of circumstances for the development of significant strategic potential in Asia, and of the hazards involved in attempts to harness Chinese potential to Soviet ends, there exists no serious danger that the USSR will in the near future be able to undertake military aggression based on Asia's strategic potential.

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30. The location of Asia, contiguous to the USSR and separated from the United States, presents different strategic implications, both offensive and defensive, to the United States and to the USSR. The Asian power potential is more valuable to Russia than to the United States, since American industrial power is so much greater than Russian. The industrial plant of Japan would be the richest strategic prize in the Far East for the USSR. For Japan and major Asian raw-material producing areas, together with the necessary transportation lines, to be controlled by the Soviet Union would add measurably to the war-making potential of the USSR. Russia could not, however, quickly build up a powerful self-sufficient war-making complex in Asia without access to and control over Japan and could not effectively mobilize Japan in war without a larger merchant fleet in the Pacific than the USSR and Japan are likely to have for years to come. Other Asiatic assets of potential value to Russia include soybeans, tin, rubber, and South China's tungsten. Petroleum, coming from Indonesia including Borneo, while not essential to meet Russian domestic requirements, is one of the most important strategic materials in the region.

31. The strategic value of Asia to the United States rests on three considerations: In the first place denial of USSR control over Asia might prevent the acquisition by the Soviets of elements of power which might in time add significantly to the Russian war-making potential. Secondly, to the degree that Asian indigenous forces develop opposition to the expansion of USSR influence, they would assist the U. S. in containing Soviet control and influence in the area,

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possibly reducing the drain on the United States economy. The indigenous forces of Asia, including manpower reserves, would also be a valuable asset, if available for the support of the United States in the event of war. Thirdly, Asia is a source of numerous raw materials, principally tin and natural rubber, which are of strategic importance to the United States, although the United States could, as in World War II, rely on other sources if necessary.

32. Since, from the military point of view, the primary strategic interests and war objectives of the United States consistent with the aim of destruction of the enemy's means to wage war are not now in Asia, the current basic concept of strategy in the event of war with the USSR is to conduct a strategic offense in the "West" and a strategic defense in the "East". In keeping with this basic concept and in light of the strategic interests of the United States and the USSR as developed above, certain principles may be stated. As a primary matter in the event of war, it is essential that a successful strategic defense in the "East" be assured with a minimum expenditure of military manpower and material in order that the major effort may be expended in the "West". In order to gain freedom of access to the Asian continent within these limitations, the United States must now concentrate its efforts on bringing to bear such power as can be made available, short of the commitment of United States military forces, in those areas which will show the most results in return for the United States effort expended. In addition the United States must maintain a strategic position which will facilitate control of coastal and overseas lines of communication in Asia.

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33. From the military point of view, the United States must maintain a minimum position in Asia if a successful defense is to be achieved against future Soviet aggression. This minimum position is considered to consist of at least our present military position in the Asian offshore island chain, and in the event of war its denial to the Communists. The chain represents our first line of defense and in addition, our first line of offense from which we may seek to reduce the area of Communist control, using whatever means we can develop, without, however, using sizeable United States armed forces. The first line of strategic defense should include Japan, the Ryukyus, and the Philippines. This minimum position will permit control of the main lines of communication necessary to United States strategic development of the important sections of the Asian area.

Economic Considerations

34. Except for industrialization in Japan and to a lesser extent in India, Asia is basically an agricultural region. Pressure of population on the land has depressed living standards to the margin of subsistence. Communications and transportation facilities are poor and productivity is low. However, Asia is the source of important raw and semi-processed materials, many of them of strategic value. Moreover, in the past, Asia has been a market for the processed goods of industrialized states, and has also been for the western colonial powers a rich source of revenue from investments and other invisible earnings.

35. The United States has an interest in the attainment by the free peoples of Asia of that degree of economic recovery and develop-

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ment needed as a foundation for social and political stability. This interest stems from the principle that a viable economy is essential to the survival of independent states. In the two major non-Communist countries of this area, India and Japan, U. S. aid (direct in the case of Japan, and via convertible sterling releases in the case of India) is averting a deterioration in economic conditions that would otherwise threaten political stability. While scrupulously avoiding assumption of responsibility for raising Asiatic living standards, it is to the U. S. interest to promote the ability of these countries to maintain, on a self-supporting basis, the economic conditions prerequisite to political stability. Japan can only maintain its present living standard on a self-supporting basis if it is able to secure a greater proportion of its<sup>needed</sup>/food and raw material (principally cotton) imports from the Asiatic area, in which its natural markets lie, rather than from the U. S., in which its export market is small. In view of the desirability of avoiding preponderant dependence on Chinese sources, and the limited availability of supplies from pre-war sources in Korea and Formosa, this will require a considerable increase in Southern Asiatic food and raw material exports.

36. The Indian problem is somewhat analogous: The sizeable post-war Indian dollar deficit may be traced largely to this country's unprecedented dollar food imports. These imports have been necessitated by the failure of Indian food production to keep pace with population growth and to the reduced post-war availability of food exports from India's soft currency suppliers in Southern Asia. Even with these significant dollar food imports, Indian food con-

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sumption has fallen below pre-war levels. A further decline would almost certainly produce serious political instability in the major cities of India. A serious problem would thus result if the U. K. were no longer able to bear the burden of the convertible sterling releases that have so far met the Indian dollar deficit.

37. It is thus difficult to foresee a time at which Japan and India will be self-supporting in the absence of greatly increased food production and some increased cotton production in Southern and Southeast Asia. One major prerequisite to such an increase is the restoration of political stability in the food exporting countries of Burma and Indo China. Given such a restoration, perhaps as much as 2.5 million more tons of rice exports could be secured from these countries with only minimal loans for rehabilitation of damaged facilities, e.g., transportation. Another major prerequisite is expanded agricultural development in the stable Southern Asiatic countries in which such development would be economic: India, Pakistan -- which exports wheat and cotton, Thailand -- which exports rice, and Ceylon -- whose sizeable rice imports reduce the availability of Asiatic foodstuffs to India and Japan. Japanese and Indian food requirements, and Japanese cotton requirements, could be met if certain projected irrigation, reclamation, and transportation projects were executed in the above countries.

38. These projects will probably require: (i) a more effective mobilization of local resources by the governments concerned, (ii) some external technical aid, (iii) some limited external financial aid. Most of the countries in question are now taking steps to

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mobilize local resources more effectively in the agricultural field, and they should be encouraged along these lines. External technical aid should be made available under the Point IV program. The external financial aid required is of such a limited character that it can probably be adequately provided by the International Bank and the Export-Import Bank. We should, therefore, continue to urge these institutions to give serious consideration to requests for loans to finance sound development projects that would increase agricultural production in India, Thailand, Pakistan and Ceylon. This encouragement should, of course, be without prejudice to other additional loans these institutions may wish to make for non-agricultural purposes to these countries.

39. Expanded agricultural development in Southern and Southeast Asia would make a contribution to the political stability and the welfare of the exporting, as well as the importing countries. Through increased sales of rice, wheat, and cotton, Thailand and Pakistan could most economically secure the imports of capital and consumer goods to develop and diversify their economies. A comparable effect would be felt in India and Ceylon, if increased food production enabled these countries to reduce the disproportionate amount of foreign exchange that they presently devote to the purchase of food imports.

40. Our interest in a viable economy in the non-Communist countries of Asia would be advanced by increased trade among such countries. Japanese and Indian industrial revival and development can contribute to enlarged intra-regional trade relations which suffered

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a set-back because of the economic vacuum resulting from the defeat of Japan, the devastation caused by the war in other areas and the interference and restrictions arising from extensive governmental controls. Given a favorable and secure atmosphere--plus adequate freedom to individual traders, readily available working capital, suitable commercial agreements establishing conditions favorable to commerce and navigation and general assistance in the promotion of trade--it is expected that a substantial increase in intra-Asia trade can occur. The patterns of such trade, however, may differ from those existing before the war. In any event, a strong trading area among the free countries of Asia would add to general economic development and strengthen social and political stability. Some kind of regional association, facilitating interchange of information, among the non-Communist countries of Asia might become an important means of developing a favorable atmosphere for such trade among themselves and with other parts of the world..

41. Asia, particularly South and Southeast Asia, are among the principal sources of United States imports of several basic commodities which could contribute greatly to United States security for stockpiling purposes and would be of great assistance in time of war if they remained available to us. Exports to Asia from the United States are of less importance than are imports, but are not now insignificant and could grow in importance to the stability of our own domestic economy. In brief, the economic advantage derived by the United States from our trade with non-Communist Asia is considerable and there is little doubt of the wisdom of its development.



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42. One effective means available to the United States for assisting in economic development, particularly in Southeast Asia, is to enlarge, consistent with security considerations, and despite possible objections of U. S. competitors, the orderly and sustained procurement, both by private and public agencies, of strategic and other basic commodities, such as tin, hard fibers and particularly natural rubber. United States purchases of strategic materials on current account would represent an important source of dollars for use by Asian countries in and outside the sterling area in meeting their current and capital needs.

43. The USSR is the primary target of those U. S. economic policies designed to contain or turn back Soviet-Communist imperialism, and not China or any of the Soviet satellites considered as individual countries. It would, therefore, be inappropriate to apply to the willing or unwilling partners of the USSR punitive or restrictive economic measures which are not being applied to the USSR itself. This guiding principle should be the point of departure in application of procedures for conduct of our economic relations with Communist China. It should be our objective to take steps to prevent the Soviets and their satellites from obtaining, via trans-shipment in the Far East, strategic goods now denied them through direct channels. It should also be our objective to prevent Chinese Communists from obtaining supplies of goods of direct military utility which might be used to threaten directly the security interests of the western powers in Asia. It is not, however, either necessary or advisable to restrict trade with China in goods which are destined for normal civil-

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ian uses within China provided safeguards are established to accomplish the two objectives mentioned above. Three reasons exist for this position: (1) Japan's economy cannot possibly be restored to a self-sustaining basis without a considerable volume of trade with China, the burden of Japan on the United States economy cannot be removed unless Japan's economy is restored to a self-sustaining basis and U. S. interference with natural Japanese trade relations with China would produce profound Japanese hostility; (2) permitting trade with Communist China in goods destined for normal civilian end uses within China will enable us to obtain quantities of important commodities needed by the U. S. (e.g., tung oil, bristles, tungsten, antimony, etc.) and might contribute to internal economic and political tensions between the urban and rural sectors of the Chinese economy, and permit China to choose between a Soviet and a Western orientation in their foreign economic relations; and (3) restriction of trade for any purpose other than those indicated by the objectives outlined above would be ineffective and impractical in view of the existence of alternative sources of supply in other countries which will not cooperate in export controls affecting normal trade with China. The U. S. should seek the cooperation of friendly countries in exercising export controls to achieve the objectives indicated, and request SCAP to conform to our general policy in this respect. While SCAP should be requested to avoid preponderant dependence on Chinese markets and sources of supply he should not be expected to apply controls upon Japan's trade with China more restrictive than those applied by Western European countries in their trade with China. At the same time,

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SCAP should encourage development of alternative Japanese markets elsewhere in the world, including Southern and Southeast Asia, on an economic basis. Notwithstanding the advantages of the permissive trade policy outlined above, there would be no advantage for the United States to extend governmental economic assistance to or encourage private investment in Communist China.

#### CONCLUSIONS

44. Our basic security objectives with respect to Asia are:

a. Development of the nations and peoples of Asia on a stable and self-sustaining basis in conformity with the purposes and principles of the United Nations Charter.

b. Gradual reduction and eventual elimination of the preponderant power and influence of the USSR in Asia to such a degree that the Soviet Union will not be capable of threatening from that area the security of the United States or its friends and that the Soviet Union would encounter serious obstacles should it attempt to threaten the peace, national independence and stability of the Asiatic nations.

c. Prevention of power relationships in Asia which would enable any other nation or alliance to threaten the security of the United States from that area, or the peace, national independence and stability of the Asiatic nations.

45. In pursuit of these objectives, the United States must encourage non-Communist forces to take the initiative in Asia, must exert an influence to advance its own national interests and must take

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December 30, 1949

NOTE BY THE EXECUTIVE SECRETARY

on

THE POSITION OF THE UNITED STATES WITH RESPECT TO ASIA  
Reference: NSC 48/1

At its 50th Meeting, with the President presiding, the National Security Council, the Secretary of the Treasury, the Acting Secretary of Commerce, and the Acting Economic Cooperation Administrator, discussed a report on "The Position of the United States with Respect to Asia" (NSC 48/1), and adopted the Conclusions contained therein subject to amendments at the meeting and to further amendments subsequently agreed upon by the Departments of State and Defense. The Conclusions as revised are enclosed herewith.

The National Security Council, the Secretary of the Treasury, the Acting Secretary of Commerce, and the Acting Economic Cooperation Administrator, recommend that the President approve the Conclusions contained herein and direct their implementation by all appropriate Executive Departments and Agencies of the U. S. Government under the coordination of the Secretary of State.

SIDNEY W. SOUERS  
Executive Secretary

cc: The Secretary of the Treasury  
The Secretary of Commerce  
The Economic Cooperation Administrator

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REPORT BY THE NATIONAL SECURITY COUNCIL

on

THE POSITION OF THE UNITED STATES WITH RESPECT TO ASIA

CONCLUSIONS

1. Our basic security objectives with respect to Asia\* are:

a. Development of the nations and peoples of Asia on a stable and self-sustaining basis in conformity with the purposes and principles of the United Nations Charter.

b. Development of sufficient military power in selected non-Communist nations of Asia to maintain internal security and to prevent further encroachment by communism.

c. Gradual reduction and eventual elimination of the preponderant power and influence of the USSR in Asia to such a degree that the Soviet Union will not be capable of threatening from that area the security of the United States or its friends and that the Soviet Union would encounter serious obstacles should it attempt to threaten the peace, national independence and stability of the Asiatic nations.

d. Prevention of power relationships in Asia which would enable any other nation or alliance to threaten the security of the United States from that area, or the peace, national independence and stability of the Asiatic nations.

2. In pursuit of these objectives, the United States should act to:

a. Support non-Communist forces in taking the initiative in Asia;

b. Exert an influence to advance its own national interests; and

c. Initiate action in such a manner as will appeal to the Asiatic nations as being compatible with their national interests and worthy of their support.

\* For the purposes of this report "Asia" is defined as that part of the continent of Asia south of the USSR and east of Iran together with the major off-shore islands--Japan, Formosa, the Philippines, Indonesia and Ceylon.

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3. As the basis for realization of its objectives, the United States should pursue a policy toward Asia containing the following components:

a. The United States should make known its sympathy with the efforts of Asian leaders to form regional associations of non-Communist states of the various Asian areas, and if in due course associations eventuate, the United States should be prepared, if invited, to assist such associations to fulfill their purposes under conditions which would be to our interest. The following principles should guide our actions in this respect:

(1) Any association formed must be the result of a genuine desire on the part of the participating nations to cooperate for mutual benefit in solving the political, economic, social and cultural problems of the area.

(2) The United States must not take such an active part in the early stages of the formation of such an association that it will be subject to the charge of using the Asiatic nations to further United States ambitions.

(3) The association, if it is to be a constructive force, must operate on the basis of mutual aid and self-help in all fields so that a true partnership may exist based on equal rights and equal obligations.

(4) United States participation in any stage of the development of such an association should be with a view to accomplishing our basic objectives in Asia and to assuring that any association formed will be in accord with Chapter VIII of the Charter of the United Nations dealing with regional arrangements.

b. The United States should act to develop and strengthen the security of the area from Communist external aggression or internal subversion. These steps should take into account any benefits to the security of Asia which may flow from the development of one or more regional groupings. The United States on its own initiative should now:

(1) Improve the United States position with respect to Japan, the Ryukyus and the Philippines.

(2) Scrutinize closely the development of threats from Communist aggression, direct or indirect, and be prepared to help within our means to meet such threats by providing political, economic, and military assistance and advice where clearly needed to supplement the resistance of the other governments in and out of the area which are more directly concerned.

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(3) Develop cooperative measures through multilateral or bilateral arrangements to combat Communist internal subversion.

(4) Appraise the desirability and the means of developing in Asia some form of collective security arrangements, bearing in mind the following considerations:

(a) The reluctance of India at this time to join in any anti-Communist security pact and the influence this will have among the other nations of Asia.

(b) The necessity of assuming that any collective security arrangements which might be developed be based on the principle of mutual aid and on a demonstrated desire and ability to share in the burden by all the participating states.

(c) The necessity of assuring that any such security arrangements would be consonant with the purposes of any regional association which may be formed in accordance with paragraph 3-a above.

(d) The necessity of assuring that any such security arrangement would be in conformity with the provisions of Article 51 of the Charter relating to individual and collective self-defense.

c. The United States should encourage the creation of an atmosphere favorable to economic recovery and development in non-Communist Asia, and to the revival of trade along multilateral, non-discriminatory lines. The economic policies of the United States should be adapted to promote, where possible, economic conditions that will contribute to political stability in friendly countries of Asia, but the United States should carefully avoid assuming responsibility for the economic welfare and development of that continent. Such policies might be projected along the following lines:

(1) Vigorous prosecution of the Point IV program in friendly countries of Asia, in an endeavor to assist them, by providing technical assistance, to make a start toward the solution of some of their long-range economic problems.

(2) Maintenance of a liberal United States trade policy with Asia and stimulation of imports from Asia. The special problems concerning trade with China are treated in paragraph 3-f-(4) below.

(3) Execution of a stockpiling program for strategic materials, based upon United States needs for strategic

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reserves and upon immediate and long-range economic effects in the supplying countries.

(4) Negotiation of treaties of friendship, commerce and navigation with non-Communist countries of Asia to define and establish conditions facilitating capital movements, trade and other economic relations between them and the United States.

(5) Encouragement of private United States investment in non-Communist countries and support of the early extension of credits by the International Bank and the Export-Import Bank for specific key economic projects of a self-liquidating nature, especially those directed towards increasing production of food in this area.

(6) Efforts to obtain the adherence of Asiatic countries to the principles of multilateral, non-discriminatory trade as embodied in the General Agreements on Tariffs and Trade, as a means of reducing trade barriers and expanding the international and intra-regional trade of the region on an economic basis. This would include, for example, further efforts to secure the benefits of most-favored-nation treatment for Japan.

d. The question of a peace settlement with Japan, now receiving separate consideration, will be presented for the consideration of the National Security Council at a later date and policies with respect to Japan will be re-evaluated after the decision regarding a peace treaty has been made.

e. (1) The United States should continue to provide for the extension of political support and economic, technical, military and other assistance to the democratically-elected Government of the Republic of Korea.\*

(2) The United States should therefore press forward with the implementation of the ECA, MDAP, USIE and related programs for Korea, and should continue to accord political support to the Republic of Korea, both within and without the framework of the United Nations.

f. (1) The United States should continue to recognize the National Government of China until the situation is further clarified.\*\* The United States should avoid recognizing the Chinese Communist regime until it is clearly in the United States interest to do so. The United States should continue

\* NSC 8/2, approved March 23, 1949.

\*\* NSC 34/2.



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to express to friendly governments its own views concerning the dangers of hasty recognition of the Chinese Communist regime but should not take a stand which would engage the prestige of the United States in an attempt to prevent such recognition. In general, however, it should be realized that it would be inappropriate for the United States to adopt a posture more hostile or policies more harsh towards a Communist China than towards the USSR itself. It should also be realized that the according of recognition by other friendly countries would affect the bargaining position of the United States in the absence of United States recognition and would affect United States private and national interests in China. In the event that recognition of the Chinese Communists is anticipated, appropriate steps should be taken to make it clear that recognition should not be construed as approval of the Chinese Communist regime, or abatement of our hostility to Soviet efforts to exercise control in China.

(2) The United States should continue the policies of avoiding military and political support of any non-Communist elements in China unless such elements are willing actively to resist Communism with or without United States aid and unless such support would mean reasonable resistance to the Communists and contribute to the over-all national interests of the United States.\* In determining whether or in what manner any such assistance or encouragement should be given, consideration would have to be given to the protection which Chinese Communist authorities, as they become generally recognized by other governments, would be able to claim under international law and the Charter of the United Nations. The United States should maintain so far as feasible active contact with all elements in China and maintain our cultural and informational program at the most active feasible level.

(3) The United States should exploit, through appropriate political, psychological and economic means, any rifts between the Chinese Communists and the USSR and between the Stalinists and other elements in China, while scrupulously avoiding the appearance of intervention. Where appropriate, covert as well as overt means should be utilized to achieve these objectives.\*

(4) The United States should, as a security measure, seek to prevent the USSR, its European satellites, and North Korea from obtaining from abroad through China supplies of strategic materials and equipment which are currently denied them by the United States and its European allies through

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\* NSC 34/2.

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direct channels. The United States should also use every effort to prevent the Chinese Communists from obtaining from non-Soviet sources supplies of materials and equipment of direct military utility (1A items). The United States should, on the other hand, permit exports to China of 1B items within quantitative limits of normal civilian use and under controls which can be applied restrictively if it becomes necessary to do so in the national interest, and should place no obstacle in the way of trade with China in non-strategic commodities. The United States should seek the support and concurrence of its principal European allies in these policies. The United States should not extend governmental economic assistance to Communist China or encourage private investment in Communist China.

g. (1) The United States should continue the policy set forth in NSC 37/2 and 37/5 of attempting to deny Formosa and the Pescadores to the Chinese Communists through diplomatic and economic means within the limitations imposed by the fact that successful achievement of this objective will primarily depend on prompt initiation and faithful implementation of essential measures of self-help by the non-Communist administration of the islands, and by the fact that freedom of U. S. diplomatic and economic action will be influenced, necessarily, by action taken by other countries.

(2) Since the United States may not be able to achieve its objectives through political and economic means, and in view of the opinion of the Joint Chiefs of Staff (reaffirmed in NSC 37/7 of August 22, 1949) that, while Formosa is strategically important to the United States, "the strategic importance of Formosa does not justify overt military action ....so long as the present disparity between our military strength and our global obligations exists", the United States should make every effort to strengthen the over-all U. S. position with respect to the Philippines, the Ryukyus, and Japan. The United States should, for example, proceed apace with implementation of the policy set forth in regard to the Ryukyus in paragraph 5 of NSC 13/3.

h. The United States should continue to use its influence in Asia toward resolving the colonial-nationalist conflict in such a way as to satisfy the fundamental demands of the nationalist movement while at the same time minimizing the strain on the colonial powers who are our Western allies. Particular attention should be given to the problem of French Indo-China and action should be taken to bring home to the French the urgency of removing the barriers to the obtaining by Bao Dai or other non-Communist nationalist leaders of the support of a substantial proportion of the Vietnamese. With the successful conclusion of the Round Table Conference at The Hague the United

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States should give immediate consideration to the problems confronting the new Republic of United Indonesia and how best it can be aided in maintaining its freedom in the face of internal and external Communist pressures.

i. Active consideration should be given to means by which all members of the British Commonwealth may be induced to play a more active role in collaboration with the United States in Asia. Similar collaboration should be obtained to the extent possible from other non-Communist nations having interests in Asia.

j. Recognizing that the non-Communist governments of South Asia already constitute a bulwark against Communist expansion in Asia, the United States should exploit every opportunity to increase the present Western orientation of the area and to assist, within our capabilities, its governments in their efforts to meet the minimum aspirations of their people and to maintain internal security.

k. The United States should undertake an information program, both foreign and domestic, and publish United States policies and programs vis-a-vis Asia designed to gain maximum support both at home and abroad.

l. Nothing in this paper shall be construed as amending approved NSC papers unless a specific statement to that effect has been made on each point.

m. The sum of \$75,000,000 for assistance to the general area of China, which was made available under Section 303 of the Mutual Defense Assistance Act of 1949, should be programmed as a matter of urgency.