PATRICK HURLEY: THE CHINA MEDIATOR

CHIN-TUNG LIANG

I. Early Negotiations in China

General Patrick J. Hurley came to China in 1944 as a personal representative of President Franklin D. Roosevelt, mainly to smooth relations between Generalissimo Chiang Kai-shek and General Joseph W. Stilwell. (1) This assignment of General Hurley as a special Presidential envoy to China was originally recommended by George C. Marshall and Secretary of War Henry L. Stimson. (2) After General Stilwell was recalled, Generalissimo Chiang sent a confidential cable to President Roosevelt saying that, at General Hurley knew the Chinese situation very well, he hoped Hurley could be assigned on a more permanent basis to cooperate on many vital issues. Because of this request, General Hurley was appointed Ambassador to China, in succession to Clarence Gauss who had requested to be relieved. (3)

Before his departure from Washington D. C., Hurley saw President Roosevelt and visited the Department of State. He was disliked by some of the career officers in the department, although he had constructive talks with the Secretary, the Under Secretary, and the China Desk. (4)

By way of Moscow and New Delhi, he arrived in Chungking, the wartime capital of China, on September 6, 1944. Shortly after his arrival, Hurley was invited (on September 11) by Chu Teh, the Communist military leader, to visit Yenan. (5) At that time, Lin Tsu-han and Tung Pi-wu, the two Chinese Communist representatives, were in Chungking where the negotiations between the National Government and the Chinese Communists were in a deadlock. It was the hope of both the Chinese Government and the U. S. Embassy that General Hurley could talk with Lin and Tung, and find some constructive proposals to take with him to Yenan. (6) During the short period from October 17 to 23, Hurley met with Lin and Tung at least three times. (7)

On November 7 General Hurley flew to Yenan in the company of Lin Tsu-han. (8) The draft proposal, prepared by him, was tentatively approved by Generalissimo Chiang and reported to President Roosevelt. (9) As the resignation of Ambassador Gauss had not yet been approved, General Hurley went to Yenan still in the capacity of personal representative of President Roosevelt, not as U. S. Ambassador to China.
At that time there was great divergence between the National Government and the Chinese Communists. The Government insisted that the Communist troops must be reorganized and accept orders from the National Military Council, before the size of their forces (10 to 12 divisions) could be considered.⁹ The Communists demanded that, before any talk of cooperation, a coalition government must be formed, a national affairs conference convened, a legal status accorded to the Chinese Communist regime and its troops.¹¹

Before flying to Yenan, General Hurley wired President Roosevelt about the situation, and conferred with Generalissimo Chiang, as well as with General Albert C. Wedemeyer, then Commander of U. S. forces in China and Chief of Staff to Generalissimo Chiang in the China Theater.

Upon arrival in Yenan, General Hurley said, he was warmly greeted by the Chinese Communist leaders, but after two days of discussions, his draft suggestions were rejected and counter proposals were presented, signed by Mao Tse-tung himself. On November 11 General Hurley flew back to Chungking with Chou En-lai, bringing the Communist proposals.¹² Through General Hurley, Mao Tse-tung sent a letter to President Roosevelt in appreciation for this effort at mediation.¹³ (The draft proposal prepared by General Hurley, and the counter proposals of Mao Tse-tung, appear in parallel columns in the appended notes as item.)¹⁴

There were two major differences in these parallel drafts. First, the Hurley draft was premised on the existence of the Central Government, while the Mao draft rejected this premise, in favor of a Coalition Government. Second, the Hurley draft proposed a unification of military forces, while the Mao draft insisted on separate military forces under a headquarters command. When Generalissimo Chiang reviewed the Mao draft, he sent word through T. V. Soong and Wang Shih-chieh that the National Government could hardly accept the demand for a coalition government.¹⁵

Generalissimo Chiang later told General Hurley that the Mao draft, if adopted, would eventually result in giving the Communists control of the government. While not wholly agreeing with this prediction, General Hurley still urged the National Government to present further proposals for negotiation. On November 21 the Executive Yuan (Cabinet) was reorganized, with T. V. Soong as Acting Premier and General Chen Cheng as Minister of War in place of General Ho Ying-chin. On the following day a new draft was presented to General Hurley by T. V. Soong, with the approval of Generalissimo Chiang.¹⁶
(The proposals of this new draft appear in the appended notes as item 17).

This new draft insisted on the acceptance of the Central Government. Although high-ranking Communist officers were to be included in the National Military Council, Chou En-lai, after studying the draft in Chungking, did not feel satisfied that legal protection would be given to Chinese Communists. After a final meeting with Generalissimo Chiang, in which no agreement was reached, Chou En-lai flew back to Yenan on December 7 with Tung Pi-wu.

From Yenan Chou En-lai wired General Hurley in Chungking stating that the proposals of the National Government were unacceptable, and that therefore "this actually precludes any possibility for me to return to Chungking for negotiations". (For a larger portion of this wire from Chou En-lai, see appended notes, item 18).

Meanwhile the National Government proposed new measures for cooperation with the Communists, drafted by T. V. Soong in consultation with Chen Cheng, Chang Chih-chung and Wang Shih-chieh. These proposals included the formation of an executive body whose nature resembles "a war cabinet", with a membership of from seven to nine men, to act as a policy-making body of the Executive Yuan. In this new plan there would be representation from the Nationalists, the Communists and the Americans. (For a verbatim statement of three "concrete measures" in this proposal, see appended notes, item 19).

Generalissimo Chiang later told General Hurley that, in addition to the three measures, the National Government would recognize the legal status of the Chinese Communist Party and that, before the war ended, a National Assembly would be convened to terminate political tutelage. On this basis, General Hurley wired Chou En-lai not to close the door and return to Chungking for further talks. (20) The invitation was declined. (21)

When General Hurley again urged that negotiations be continued, Mao Tse-tung replied with the suggestion that negotiations be held in Yenan instead of Chungking. (22) Chou En-lai added four prerequisites for further negotiations: (1) release of all political prisoners, such as Chang Hsueh-liang and Yang Hu-chen, the two principal figures in the Sian kidnapping 1936, (2) withdrawal of forces surrounding the Communist zones, (3) abolish all regulations restricting freedom of the people, (4) stop all secret service activity. (23)

On January 7, 1945 General Hurley replied to Mao Tse-tung and Chou En-lai indicating his disappointment, and telling them he was convinced that
the Nationalist Government was sincerely desirous of making concessions. He also offered to make a brief visit to Yenan, with T. V. Soong, Wang Shih-chich, and Chang Chih-chung for further discussions, seeking some agreement in principle, and thereby paving the way for Mao and Chou to return with him to Chungking for concluding a formal agreement. (24)

In rejecting Hurley’s proposals, Mao suggested a national affairs conference in Chungking with delegates from the Kuomintang, the Communist Party, and the Democratic League, with the understanding that all delegates have equal status, and freedom of travel, and that the conference be made public. On this basis, Mao stated, he would send Chou En-lai to Chungking. (25)

At this juncture, a plan unexpectedly came to light, arranged secretly by U. S. military personnel and the Chinese Communists for providing equipment to Mao’s guerrilla forces, and for implementing strategy against the Japanese.

II. Secret Plans to Equip Communists and to Implement Strategy

As a background to these secret agreements, the part played by members of General Joseph Stilwell’s command, who also operated as staff members of the American Embassy in Chungking, should be understood. They included John P. Davies, second secretary, Raymond P. Ludden, second secretary, John S. Service, third secretary and John K. Emmerson, third secretary. They were in contact with the Chinese Communist representatives in Chungking. (25)

Master-minding the Communist operations in Chungking was Chou En-lai, emphasizing the idea of “democracy against fascism” (27) along with his opinion that “the United States may intervene in Chinese internal affairs.” (28)

On the assumption that the Americans might land forces in the eastern or northern sectors of China, the above-named members of General Stilwell’s staff repeatedly recommended supplying the Chinese Communists with weapons to harrass the Japanese. They filed a large volume of reports and proposals to General Stilwell’s command and to the United States Government, generally supporting the Chinese Communists and denigrating the Nationalists. (29) These reports and proposals found their way into the American media, and even into the Pentagon and White House, purporting to be the measured opinions of “experts” in Chungking. (30) Even after the recall of General Stilwell this flood of pro-Communist communications continued.

These machinations got so far out of hand that on January 9, 1945
American military personnel in Yenan secretly communicated the desire of Mao Tse-tung and Chou En-lai to go to Washington for a face-to-face talk with President Roosevelt. These American military in Yenan emphasized that this request should be kept secret from Ambassador Hurley! (31)

While these and other secret operations were taking place, Communist guerrillas were covertly moving in southern Anhwei and northern Kiangsu provinces, where they were detected by the U. S. Navy Intelligence. On being informed of these operations, General Hurley communicated with President Roosevelt, who, through General Marshall, ordered General Wedemeyer (Stilwell's replacement in China) to make a thorough investigation. It was discovered that certain officers in General Wedemeyer's command, without his knowledge, and without informing either the National Government or General Hurley, had made plans to supply the Communists.

On January 31, and February 5, 1945, General Hurley (now Ambassador) and General Wedemeyer, in turn, served notice to their staff that the United States recognized only the National Government in China, and that no matters of economic or military assistance should be considered with any political or military agency in China, except by order. (32)

The Chinese Communists, after this blow, were in an awkward position. Ambassador Hurley, however, saved their face by sending a letter to Mao Tse-tung urging him to appoint a representative in Chungking and promising that he would be at the airport to welcome Mao's chosen man personally. Chou En-lai was assigned by Mao, and arrived in Chungking on January 24.

Unproductive negotiations were held in Chungking between Chou En-lai, Ambassador Hurley, T. V. Soong and Wang Shih-chieh, in which various proposals by the National Government -- including the establishment of a Political Consultative Conference -- were discussed. On February 16th, Chou En-lai flew back to Yenan for further instructions from Mao Tse-tung.

On February 18 Ambassador Hurley returned to Washington for consultations, having heard about the Yalta Conference, recently concluded, which had secretely compromised China's interests in Manchuria. To know the true situation, he needed to go to Washington. (33)

Meanwhile certain staff members of the United States Embassy in Chungking continued their efforts on behalf of Yenan, proposing a coalition government as the solution. They found strong support in John Carter Vincent, Chief of the Division of Chinese Affairs in the State Department,
Washington, who opposed Ambassador Hurley's contention that the United States should continue her traditional policy of supporting Generalissimo Chiang Kai-shek's government.

In January 1945, in a State Department reply to an inquiry from the Department of War and the Department of the Navy regarding U. S. Policy toward China, John Carter Vincent differentiated between a "short-term objective" and a "long-term objective". To win the war against Japan was the primary "short-term objective", in which the continued operation of the Nationalist Government was essential.

However, Vincent's memorandum continues: "It does not necessarily follow that China should be unified under Chiang Kai-shek... With regard to our long-term objective, it is our purpose to maintain a degree of flexibility which would permit cooperation with any leadership in China that would offer the greatest likelihood of fostering a united, democratic, and friendly China."(34) In the context of his stated position, and that of his American collaborators in Chungking, it is clear that what was meant by "any leadership in China" definitely excluded Generalissimo Chiang Kai-shek. And, in this matter, Vincent and Hurley were at loggerheads.

Nevertheless, Vincent's memorandum was sent by Acting Secretary of State, Joseph C. Grew, on February 9 to the U. S. Embassy in Chungking for reference. Subsequently the U. S. War Department, in a directive to General Wemeyer on February 27, also forwarded the content of Vincent's memorandum, with the instruction that henceforth the U. S. forces in China should be guided by the short-term objective of supporting Chiang Kai-shek to defeat Japan, but with no commitment to him thereafter.(35)

Meanwhile, in Washington, Ambassador Hurley continued to oppose Vincent and his collaborators in Chungking. According to Hurley, when he saw the staff at the Division of Chinese Affairs at the State Department, he was treated as a defendant on trial.(36) But in the final reckoning, President Roosevelt gave his personal support to Hurley, and the pro-Communist officers in Chungking, including George Atcheson Jr., the Charge d'Affaires, along with Davies, Service and Ludden, were all transferred to other posts.(37)

This transfer of personnel from Chungking relieved Ambassador Hurley's disciplinary problem in the wartime capital of China, but John Carter Vincent still called the tune in the State Department in Washington. On April 3, 1945, Vincent's so-called "short-term" policy was adopted by the Far East
Sub-Committee of the State-War-Navy Coordinating Committee (SWNCC). On May 28, after President Roosevelt was dead, this policy was reaffirmed by SWNCC, and approved by the Joint Chief's of Staff (JCS). A program with respect to post-war military aid to China, therefore, was shelved on the ground that it was a matter for later consideration.

These policy decisions were intended for security treatment. But a copy of the SWNCC document of April 3rd was obtained by John S. Service from the file of the War Depart ment. On a return trip to Chungking, according to Ambassador Hurley, he secretly went to Yenan and showed the copy to Mao Tse-tung.

Naturally, when the Communist leader read the sentence in this document that: “It does not necessarily follow that China should be unified under Chiang Kai-chek”, he was encouraged to hold out for a coalition government, without making further concessions to the Nationalists.

This leak of confidential policy in Washington to the eyes and ears of Mao Tse-tung was in my view, the heaviest setback to the mediation work of Ambassador Hurley.

III. Change in War Situation and Negotiations in Chungking

After five weeks of home consultations in the United States, Ambassador Hurley returned to Chungking on April 20th. On his way back, the ambassador stopped in London and Moscow to exchange views on China with Churchill and Stalin. At that time the political situation in the United States had changed, because of the death of President Roosevelt (April 12), and the unconditional surrender of Germany.

Meanwhile negotiations between the Nationalists and the Communists in China had come to a standstill. The duplicity of the Yalta agreements was no longer a secret. And negotiations for a treaty of friendship between China and the Soviet Union were underway.

In an effort to reach an understanding with the Chinese Communists, Generalissimo Chiang announced on March 1, 1945 that his government was prepared to establish constitutional rule before the end of the war with Japan. He said the Kuomintang was ready to call the Sixth National Congress on May 5 to end “political tutelage”, and to convene the National Assembly on November 12 to adopt a constitutional government. This announcement received high
praise from the U. S. Secretary of State, and from the *Times* of London, but was vehemently attacked by the Chinese Communists. In two subsequent speeches, April 23 and 30, Mao Tse-tung insisted that the National Government must be dismantled before negotiations could be resumed. Naturally, this exchange of irreconcilable views between Chiang and Mao was disappointing to Hurley. But since he had learned personally from Stalin that the USSR would support Chiang rather than Moa, Hurley felt that a reconciliation between the National Government and the Chinese Communists would be possible only after China was actually allied with Russia.

At this juncture the relationship between Yenan and the U. S. Embassy in Chungking became strained because of the *Amerasia* espionage case in New York, leading to the arrest of the editor of the magazine and also of John S. Service, who had just returned to the United States from a trip to Yenan. The reaction in Yenan was an angry attack against the United States Government for its China policy, together with the charge that Ambassador Hurley had sabotaged negotiations. Hope for any kind of agreement was at low ebb.

A new element in the scenario came with the opening of negotiations in Russia on June 30th for a Sino-Soviet Treaty of Friendship and Alliance. In Moscow, T. V. Soong reached an understanding with the USSR that all future Soviet aid to China would be channeled to the Central Government only. This was a blow to the Chinese Communists.

On July 26 the United States, Great Britain and China sent an ultimatum to Japan demanding unconditional surrender. On August 6 and 9 the United States dropped atomic bombs in Japan, and on August 9 the Soviet Union declared war on Japan. In a broadcast on October 10, Japan announced its unconditional surrender. An order from the Allied High Command on August 15 required all Japanese troops in China, except those in Manchuria, to surrender to Generalissimo Chiang. The negotiating position of the Chinese Communists thereby suffered another setback.

However, contrary to orders from the High Command, Chu Teh and Peng Teh-huai, issued commands to Communist troops to move into Manchuria and North China. Furthermore, the Chinese Communists notified the Japanese commander in China, Neiji Okamura, to surrender to them, and informed the British, American and Soviet embassies in Chungking of this independent action. In addition, Yenan issued six demands, including the
formation of a coalition government. (52)

Nevertheless, under pressure from Soviet Russia, (53) Mao Tse-tung and Chou En-lai agreed to go to Chungking in a plane which Ambassador Hurley and Chang Chih-chung had brought to Yenan to escort the Chinese Communist leaders. (54) Meanwhile, Communist troops had made rapid strides in occupying parts of North China, and parts of Manchuria, with the assistance of Russian and Outer Mongolian forces. Mao declared that he was now "combining unity with struggle" in relation to the National Government. (55)

The Soviet pretension to T. V. Soong in Moscow of friendly support to the Nationalists, while unashamedly giving aid to the jubilant Communists in Manchuria, gave a highly confused background for the resumption of negotiations in Chungking between Mao and Chiang. Only by understanding this situation clearly can one give a proper appraisal of the talks about to take place.

The next day after his arrival in Chungking Mao Tse-tung was received by Generalissimo Chiang at his residence. This was their first meeting in eighteen years. In their talks the Generalissimo gave definite answers to questions about the stationing and numbers of Communist troops in China, about problems of the liberated areas, about Communist participation in the Central Government, and about the convening of a National Assembly. (56) The Generalissimo then assigned Chang Chun, Shao Li-tzu, Chang-Chih-chung and Wang Shih-chieh to confer during the next four days with Mao Tsetung, Chou En-lai and Wang Jo-fei. (57)

At the conclusion of these discussions, which lasted till September 28th, Generalissimo Chiang gave instructions to his representatives to prepare a full report for the United States and Soviet embassies in Chungking. (58) (A parallel-column outline of the Nationalist and Communist positions during these discussions can be found in the notes appended to this paper.) (59)

While complete, or conditional, agreement was reached on eight of the eleven propositions presented by the Communists, the Nationalists could not accept Communist control of Shansi, Hopei, Shantung, Jehol, and Chahar in North China, and participation in control of six provinces in central and south China, and in the municipalities of Peiping, Tientsin, Tsingtao and Shanghai. However, the Communists affirmed their willingness to accept the leadership of Chiang Kai-shek and of the National Government in principle.

A final position document was published on October 10, the National Day
of the Republic of China. This document later served some purpose in the
efforts of General George C. Marshall to reach some reconciliation, after his
arrival in China three months later, in December 1945. (For the full text of
this document, see the notes appended to this paper.)

Meanwhile Ambassador Hurley in Chungking was kept informed of the
progress being made in the Nationalist-Communist talks. He also had reports
of Soviet arms being supplied to the Chinese Communists, and of military
clashes between the Nationalists and Mao’s forces. Furthermore he was
aware of a reorganization of the State Department, making uncertain the
U. S. policy toward China. On September 23, he left for Washington,
after receiving from the Nationalists and the Communists their memorandum
on the talks they had completed, and their thanks for his mediation.

Upon his return to Yen an, Mao Tse-tung circularized his Communist
cadres that his future policy would be “to join in peace and unity on the one
hand and actually engage in fighting on the other”. He said: “Any work is
a struggle”. Concurrent events clearly demonstrated his policy: attempted
sabotage in Shanghai, actual sabotage in Shantung, confiscation of large
quantities of Japanese weapons, with Russian assistance, the steady advance
of Chinese Communist forces in Inner Mongolia, and in Manchuria under
Lin Piao, with Russian assistance at many points.

The net result of these events was to cast a dark shadow over the recent
talks in Chungking. Mao Tse-tung’s sincerity was now regarded with deep
suspicion by the U. S. Embassy there.

IV. Change in China Policy and Hurley’s Resignation

As the futility of the Chungking negotiations became increasingly apparent,
other related developments weighed on the mind of Ambassador Hurley,
leading eventually to his resignation. Foremost among these factors was the
change of policy in Washington toward Nationalist China.

While President Truman and his newly-appointed Secretary of State,
James F. Byrnes, were out of the country at the Potsdam Conference, Joseph
C. Grew, as Under Secretary of State, opposed communist-inspired proposals
to eliminate the imperial system of Japan. Secretary Grew also found himself
in opposition to John C. Vincent, Chief of the Division of Chinese Affairs,
who proposed that Owen Lattimore be invited to join his division as an advisor. Furthermore, Secretary Grew’s opposition to what he considered to be pro–Communist elements in the State Department, led to a demand for his removal.  

These issues, and others, soon became public. Owen Lattimore, in the name of Thomas W. Lamont, President of J. P. Morgan Co., published an article in the New York Times, June 10, 1945, supporting Mao Tse-tung’s demand for a coalition government in China. On the same date, the American Communist Party, holding its national assembly, published in the Daily Worker an attack against the State Department, charging that its policy towards Japan and Nationalist China was undermining the unification of China and producing conflict with Soviet Russia. 

On June 20 Lattimore wrote a letter to President Truman attacking American support of the imperial system in Japan, and on July 3, he saw the President at the White House, presenting two memoranda. In one of these, Lattimore again advocated that the imperial system in Japan be abolished, and that the influence of Japanese financial tycoons be removed. In the other, he advocated that further aid to Chiang Kai-shek would undermine unity in China and that a coalition government there should be supported. In presenting these proposals to the President, Lattimore suggested that pro–Japanese and pro–Chiang Kai-shek elements in the State Department should be removed in favor of those who shared his own views. 

President Truman gave no immediate response, but later Under Secretary Grew, Joseph C. Ballantine, Director of the Office of Far Eastern Affairs, and Eugene H. Dooman Chairman of the Far East Subcommittee of the State–War–Navy Coordinating Committee (SWNCC) were all relieved of their duties. Dean Acheson took Grew’s position as Under Secretary in the State Department, and John C. Vincent took Ballantine’s place as Director of the Office of Far Eastern Affairs. This put Vincent in a key position to formulate policy towards the Far East, since neither Byrnes, Acheson, nor Truman was familiar with China issues.

Vincent’s influence soon began to take effect. Although previous commitments had been made by President Roosevelt at the Cairo Conference to equip ninety divisions of the Nationalist Chinese armed forces, only thirty-nine divisions had been supplied. General George C. Marshall meanwhile endorsed a proposal already made that an American military advisory group be
established in China, in view of the forthcoming withdrawal of U. S. forces there, and that a "liberal arrangement" be followed in supplying the military needs of the Nationalist forces. When Marshall's recommendations came before the SWNCC's Far East Subcommittee, Vincent interposed the condition that U. S. military assistance "should not be diverted for use in fratricidal warfare or to support undemocratic administration". This condition was adopted by the SWNCC session of September 13 and reported to President Truman the following day, and relayed to Dr. T. V. Soong orally in Washington. (74)

Vincent then prepared a report entitled "Policy of the United States Towards China with Special Reference to U. S. Military Responsibility in the Training and Equipment of Chinese Armed Forces". This report, heavily loaded with political accusations and restrictions against the Nationalist Government, was adopted by SWNCC on October 22 and transmitted to the U. S. Embassy in China on November 7 as a guideline. (75) (For full details of this report, see appendix attached herewith.) (76)

To enforce the restrictions imposed on the Chinese Nationalists by this policy, American military and diplomatic representatives in China were required to give periodic reports on political developments there, as a guide to continued military aid. (77)

When General Wedemeyer returned to China from his Washington consultations, he reported these developments in a confidential note to Generalissimo Chiang Kai-shek. (78) This note was stolen by a file clerk, Ching Ju-chi, an under-cover Communist agent. (79) Being fully acquainted with the policy trends in Washington, the Chinese Communists were now able to stiffen their bargaining position with the Nationalists.

In retrospect, Chinese and American scholars have come to the conclusions that October 22, 1945, when the Vincent-inspired policy was endorsed by SWNCC in Washington, and then transmitted to the U. S. Embassy in Chungking, marked the shift in U. S. military aid to China. Thereafter, in effect, further aid to China was conditioned upon acceptance of a coalition government which was the key objective of the Communists in their aim to subvert the Nationalist regime.

In relation to the theme of this paper, this documented volte face in Washington was also the turning point in the service of Patrick Hurley as the U. S. Ambassador in China. In simple terms, Hurley had lost and Vincent
had won the ear of Washington.

The rest of the story, as far as Hurley was concerned, was anticlimax. The Chinese Communists continued to strengthen their stranglehold on Manchuria, aided by the Soviet Union. A voice was raised in the State Department by Everett F. Drumright, Chief of the Division of Chinese Affairs, in the form of a memorandum on November 16, stating: "Steps to obtain the recovery of Manchuria should be made at all speed lest the area be irretrievably lost to the National Government." Three meetings were held in Washington of SWNCC during November. At the second of these meetings, the analysis of the situation prepared by Vincent, was read by the Secretary of State. Drumright's memorandum was not submitted for discussion. \(^{(90)}\)

At the last of these meetings on November 27, Secretary Byrnes summarized the American position in these words: "Taking everything into account, perhaps the wise course would be to try to force the Chinese Government and the Chinese Communists to get together on a compromise basis, perhaps telling Generalissimo Chiang Kai-shek that we will stop the aid to his government unless he goes along with us. It might be well to tell Russia what we intend to do and to try to line them up with this policy." Secretary of War Patterson vainly tried to interject another view: "It is my opinion, clearly in our interest, to see China united under Generalissimo Chiang Kai-shek if that is possible." \(^{(81)}\)

Meanwhile, behind the scenes, Ambassador Hurley was battling out the issues with Acheson and Vincent. On October 13, Hurley saw President Truman in company with Secretary Byrnes. \(^{(82)}\) He tried to resign as Ambassador on the grounds of poor health, but was persuaded to delay. The behind-the-scenes issue soon spilled over into the press and on the floor of Congress. On November 26, Ambassador Hurley, at a press conference in Washington, having submitted his irrevocable resignation, charged colleagues in Chungking for their collaboration with the Chinese Communists in seeking to topple the Nationalist Government. \(^{(83)}\)

Hurley's action shook political circles in Washington. Congress immediately requested an investigation, and Secretary Byrnes was compelled to make a report.

President Truman quickly took action to appoint General Marshall as the new Ambassador to China. John C. Vincent wrote his own opinions into the instructions given by President Truman to General Marshall who arrived in
China in December 1945 for what history has now fully recorded as an abortive mission.

Footnotes

(1) *Truman Memoirs*, II, 629; *The Military Situation in the Far East* p. 2935; *Foreign Relations of the United States, 1944*, VI, 745. In his cable to the Secretary of State on December 24, 1944, Hurley said he understood his job was: "(1) To prevent the collapse of the National Government; (2) To Sustain Chiang Kai-shek as President of the Republic and Generalissimo of the Armies; (3) To harmonize relations between the Generalissimo and the American Commander (Gen. Joseph Stilwell); (4) To promote production of war supplies in China and prevent economic collapse; and (5) To unify all the military forces of China for the purpose of defeating Japan."


(3) *Foreign Relations*, 1944, VI, 170. The cable, dated October 5, 1944 was forwarded through T. V. Soong and Harry L. Hopkins.

(4) Don Lohbeck: *Patrick J. Hurley*, pp. 278-279; *Foreign Relations, 1944*, VI, 252. H. Freeman Matthews, deputy director of European Affairs, opposed his plan to visit Marshall Stalin in Moscow on the way to China.

(5) *Patrick J. Hurley*, p. 311.

(6) *Foreign Relations*, 1944, VI, 650.

(7) *Foreign Relations*, 1944, VI, 655.


(9) *Foreign Relations*, 1944, VI, 666.

(10) *Soviet Russia in China* (by President Chiang Kai-shek), p. 117.


(12) *Foreign Relations*, 1944, VI, 674-688.


Hurley Draft

1. The Government of China and the Chinese Communist Party will work together for the unification of all military forces in China for the immediate defeat of Japan and the reconstruction of China.

2. The Chinese Communist forces will observe and carry out the orders of the Central Government and its National Military Council.

Mao Draft

1. The Government of China, the Kuomintang of China and the Communist Party of China will work together for the unification of all military forces in China for the immediate defeat of Japan and the reconstruction of China.

2. The present National Gov. is to be reorganized into a Coalition National Government embracing representatives of all anti-Japanese parties and non-partisan political bodies. A new democratic policy providing for reforms in military political, economic and cultural affairs shall be promulgated and made effective. At the same time the National Military Council is to be reorganized into the United National Military council, consisting of representatives of all anti-Japanese armies.

3. The Coalition National Government will
Chinese Communist Party will support the principles of Dr. Sun Yat Sen for the establishment in China of a government of the people, for the people and by the people. Both parties will pursue policies designed to promote the progress and development of democratic processes in government.

4. There will be but one national government and one army in China. All the officers and all soldiers in the Communist forces when reorganized by the Central Government will receive the same pay and allowances in regards to their respective ranks as the National forces and all components will receive equal treatment in the allocation of munitions and supplies.

5. The Government of China recognizes and will legalize the Chinese Communist Party as a political party. All political parties in China will be given legal status.

support the principles of Dr. Sun Yat Sen for the establishment in China of a government of the people, for the people and by the people. The Coalition National Government will adopt pertinent measures to promote progress and democracy, uphold righteousness and freedom of faith, freedom of publication, freedom of speech, and freedom of assembly and association, the right of making appeals, freedom of person, the right of domicile, and to put into practice the freedom from fear and freedom from want.

4. All anti-Japanese forces will observe and carry out the orders of the Coalition National Government and its United National Military Council. The supplies acquired from foreign powers will be equitably distributed.

5. The Coalition National Government of China recognizes the legal status of the Kuomintang of China, the Chinese Communist Party and all anti-Japanese parties.

Mao Tse-tung (signed)
Chiang Kai-shek (blank)
Patrick J. Hurley (signed?)

(15) Feis: The China Tangle, p. 216. T. V. Soong told Hurley: "The Communists have sold you a bill of goods. Never will the National Government grant the Communists request."

(16) Hurley Documents, Book I, Item 97.

(17) The Counterdraft, later forwarded to Chou En-lai by General Hurley, contained the following three clauses:

1. The National Government, desirous of securing effective unification and concentration of all military forces in China for the purpose of accomplishing the speedy defeat of Japan and looking forward to the post-war reconstruction of China, agrees to incorporate, after reorganization, the Chinese Communist forces in the National Army, who will then receive equal treatment as the other units in respect of pay, allowance, munitions and other supplies, and to give recognition of the Chinese Communist Party as a legal party.

2. The Chinese Communist Party undertakes to give its full support to the National Government in the prosecution of the war of resistance against Japan and in the post-war reconstruction, and gives over control of all its troops to the National Government, through the National Military Council. The National Government will designate some high ranking officers from the Communist forces to membership in the National Military Council.

3. The aim of the National Government, to which the Communist Party subscribes, is to carry out the Three Principles of Dr. Sun Yat-sen for the establishment in China of a government of the people, for the people and by the people and will pursue policies designed to promote the progress and development of democratic processes in government. In accordance with the provisions of the "Outline of the Program for the Prosecution of
the War of Resistance and Reconstruction," freedom of speech, freedom of the press, freedom of assembly and association and other civil liberties are hereby guaranteed, subject only to the specific needs of security in the effective prosecution of the war against Japan.


(18) The next day (December 8), Chou sent a cable to General Hurley, which in excerpt read:

"In view of the fact that the National Government having already refused our minimum five-point proposal and put forth their own three-point proposal, clearly disagreeing with our suggestions for a Coalition Government and United Military Council, it is impossible for us to find any fundamental common basis in these two proposals. Thus this actually precludes any possibility for me to return to Chungking for negotiations. At the same, to reply to inquiries from all circles, it is thought that publication of five-point proposal is called for to draw this to the attention of public opinion and forward the changing of the attitude of the Government..." Foreign Relations, 1944, VI, 723-724; Tachi Archives, XVI, Part I, p. 119.

(19) At this time, three concrete measures for the participation of the Chinese Communists in the National Government had been worked out by T. V. Soong in consultation with Chen Cheng, Chang Chih-chung and Wang Shih-chieh. They were:

1. The government will set up, in the Executive Yuan, an organ whose nature resembles a war cabinet, with a membership of from seven to nine men, to act as the policy-making body of the Executive Yuan. The Chinese Communist Party and other parties will be given representation on this organ.

2. The Generalissimo of the National Military Council will appoint two Chinese army officers (of whom one will be an officer of the Chinese Communist troops), and one American army officer to make recommendations regarding the reorganization, equipment and supplies of Chinese Communist troops, for approval by the Generalissimo of the National Military Council.

3. The Generalissimo of the National Military Council will appoint one American army officer as the immediate commander of Chinese Communist troops for the duration of the war against Japan. The said immediate commander of Chinese Communist troops shall be responsible to the Generalissimo of the National Military Council. He shall insure the observance and enforcement of all Government orders, military or non-military, in the area under his control. Tachi Archives, XVI. Part I, p. 113.

(20) Foreign Relations, 1944, VI, pp. 732-733.


(22) Foreign Relations, 1944, VI, pp. 744-745; Tachi Archives, Part I., p. 124.

(23) Foreign Relations, 1944, VI, p. 755.


(27) Foreign Relations, 1943, p. 197. See conversations between Chou En-lai and John Carter as reported in a memorandum by John S. Service.

(28) Ibid.


(30) China Tangle, Chapter 24, pp. 255-264; How the Far East was Lost, (Kubek), Chapter 10, pp. 221-241.


(33) Ibid, pp. 184, 224.


(35) Time Runs Out In CBI, p. 337.

(36) Hurley Testimony, Joint Committee on Military Situation in the Far East, p. 3256.

(37) Hurley Testimony, pp. 2928-2929.
(38) Foreign Relations, 1945, VII, pp. 74-79.
(39) Ibid, pp. 116-117.
(40) Ibid.
(41) Time Runs Out In CBI, p. 337, N. 12.
(43) Selected Works of Mao Tse-tung, pp. 926-949.
(46) Amerasia Papers, (published by Committee on the Judiciary, U. S. Senate), 1970 (Concerning consultation with or extermination of the Communist rebels).
(55) Chinese Communist Documents: "Circular on the Negotiations with Kuomintang".
(57) Tachi Archives, Vol. 3, "First Round of Negotiations"
(59) Communist Proposals
   1. Affirming the policy of peaceful national reconstruction. Based on unification for peace, democracy and unity, to carry out the Three Principles of the people (as stated in the KMT Declaration after First National Congress in 1924).

2. Supporting the leadership of President Chiang Kai-shek.

3. Recognizing the legitimate and equal status of all political parties and cooperating them on a long-term basis for peaceful national reconstruction.

4. Recognizing the status of the government and the anti-Japanese forces in liberated area.

5. Giving severe punishment to national traitors and disbanding the puppet

Government Comments

1. Peaceful national reconstruction in the common and fixed policy, and the implementation of the Three Principles of the People is the common goal to follow. Equal emphasis, however, must be given to democracy and unification. Though democracy is the basis for unification, unification is also the basis of democracy.

2. The clear indication of supporting the leadership of President Chiang Kai-shek is highly appreciated.

3. All political parties are equal before law is a normal practice of any constitutional government, the recognition to which can now be given. Your clarification that equality does not mean equal distribution and your offer of cooperation on a long-term basis for peaceful national reconstruction are both highly appreciated.

4. The term of ‘liberated area’ should be used no longer. The government may promise that those who have worked for the war of resistance against Japan in the recovered area may be given the chance to work for the nation again, depending on their working ability and performance without any discrimination because of their political involvement.

5. In principle this is absolutely of no question. But punishment of national

— 345 —
government troops.

6. Redemarcation of areas for accepting the Japanese surrender and participation in the accepting work.

7. Stopping all armed conflicts and asking all troops to remain where they were and to await orders.

8. In terminating the one-party rule, necessary measures be taken soon to realize political democratization and army nationalization for the achievement of party equalization and cooperation.

9. Necessary measures for political democratization:
   ① A political conference, or the Political Consultative Conference, be organized by representatives of all parties and some non-partisan leaders. Being convened by the National Government, the conference is to discuss the following:
   a) Major measures of peaceful national reconstruction.
   b) Outlines for carrying out democracy.
   c) Participation of all political parties in government.
   d) Re-election of delegates to the National Assembly.
   e) Matters on war rehabilitation.
   ② On the organization of a political conference, choice can be made by either adopting the conclusion reached between President Chiang and Mr. Mao Tse-tung that now as war is over, the Supreme National Defense Council be reorganized into a political council with the participation of representatives from political parties, or adopting what has been discussed between Mr. Mao Tse-tung and Wang Shih-chieh that before any decision is made, representatives of other political parties and non-partisan leaders may be invited, with the number and names to be decided by President Chiang, to hold a conference with representatives from the government and the Chinese Communist Party to discuss what the government and the Communist Party have agreed upon. This conference may serve as a political conference to be convened only when it is necessary. It seems that there is no necessity now to decide what are going to be discussed in this conference. As to the convention of the National Assembly, President Chiang has said “those delegates already elected shall remain valid but their number may be reasonably increased, or if there is any problem, it can be solved by law.” To this, Mr. Mao Tse-tung has said that “if
the government insisted the old delegates must remain valid, the Chinese Communists will not discuss this matter with the government again. However, the Chinese communists are not going to boycott the National Assembly because of this dispute." Discussion on this matter may be continued or the matter be left for solution by the political conference.

② It is most acceptable in principle, but the Government hopes this will not affect the convocation of the National Assembly.

③ On the arrangement for liberated areas, comments have been given in the item 4. The Chinese Communists may recommend appointment to the Government of those comrades who have made a distinguished contribution to the war and who have political and administrative ability. President Chiang has told Mr. Mao that "as long as the Chinese Communists are sincere in observing the unification of military and political command the Central Government not only will employ the personnel of the county level after an examination is made, but also will invite Communist members to join in provincial administration by their qualifications." This instruction has been clear enough. The condition that the Chinese Communists must have the right to appoint some governors of other provinces or deputy mayors of certain municipalities is contrary to the sincerity of observing the unification of military and political command. It is therefore the hope of the Government that the Chinese Communists can solve this problem with spirit and attitude of a revolutionary shown in sincerity and frankness.

④ This surely will be offered after unification of a political command is achieved.

(1) On the reorganization of armed forces, President Chiang has told Mr. Mao that "now the war is over, the entire Chinese armed forces must be reduced. For this reason, the situation is different from that of last year when the People's
Political Council was convened. But I will keep my promise made at that time that the Chinese Communists may retain 10 or 12 divisions and be responsible to see the promise realized. On this matter, Mr. Chang Chih-chung and Mr. Chen Cheng also have repeatedly conveyed the government position to the Communist representatives. Therefore 12 divisions is the largest allowable number that can be offered. It is earnestly hoped that serious consideration be given by the Chinese Communists.

(2) As to the stationing areas of the Communist troops, a separate proposal may be submitted for discussion, which, if accepted, shall be implemented after reorganization.

(3) (4) (5) (6) (8) (9) are all acceptable. Details may be discussed later.

(5) Chief of the military command in Peiping is not a position to be appointed by the Chinese Communists. No necessity is there to set up a political committee in Peiping.

(7) There shall be no general stipulation on this item. The reorganization may be carried out if local situation requires and permits.

11. On equalization and cooperation of political parties:

(1) The Government is prepared to do so. The Chinese Communists may submit a namelist of prisoners hoped to be released.

(2) Mr. Mao Tse-tung has accepted the written statement by Mr. Wang Shih-chieh that after war is over, the people in the nation will be given the same freedom of person, faith, speech, publication, assembly and association as other people in a democratic country can enjoy, and that the present laws and regulations will be revoked or revised according to this principle.

(3) The government has accepted Mr. Chou En-lai's suggestion that these organizations be allowed to handle intelligence information only and strictly prohibited from detaining or arresting people.

(60) Tachi Archives, pp. 321-327.

As this historical document was very important and closely related with the later mediation work of General Marshall in China, its full text is quoted below for reference:
1. Concerning the basic policy on peaceful national reconstruction: It was mutually agreed that as the Sino-Japanese War has been brought to a victorious conclusion, China is now on the threshold of a new era of peaceful national reconstruction. Concrete efforts should be made under the leadership of President Chiang Kai-shek on the basis of peace, democracy, solidarity and unity for lasting cooperation in order to avoid civil war, for building up China as an independent, free, rich and strong nation and for full implementation of the Three Principles of the People. Nationalization of the armed forces, political democratization and equality and a legitimate status for political parties, as advocated by President Chiang, should be the road to take towards peaceful national reconstruction.

2. Concerning the question of political democratization: It was mutually agreed that efforts should be made to terminate political tutelage and to carry out constitutional rule as soon as possible. Before these measures are taken, the Government is to convene a Political Consultative Conference, to which representatives of all parties and nonpartisan leaders will be invited, to exchange views on the affairs of the state and to discuss questions relating to the Program of Peaceful National Reconstruction and the convocation of the National Assembly. As both sides are now discussing with other parties on the number of representatives to the Political Consultative Conference as well as such other questions as its organization and functions, the two sides agreed that as soon as the discussions have been brought to an end, the Political Consultative Conference should be convened quickly.

3. Concerning the National Assembly: The Chinese Communists submitted three proposals that delegates to the National Assembly be re-elected, that the convocation date of the National Assembly be postponed, and that revision be made to the organic law of the National Assembly, the election law and the draft constitution. The Government indicated that the elected delegates to the National Assembly should remain valid but their number may be reasonably increased and its questions be lawfully solved. The Government has already asked all circles to study the draft constitution and to contribute their opinions on its revision. Although no agreement was reached upon, the Chinese Communists declared that they would not like to see consolidation be spoiled because of this disagreement. At the same time, it was mutually agreed that this question be taken up by the Political Consultative Conference for settlement.

4. Concerning the question of people’s freedom: It was mutually agreed that people should be guaranteed with the right to enjoy at the peace time the same freedom of faith, speech, publication, assembly, association, etc. as other people in a democratic nation can. The present law and regulations should be revised or revoked according to this principle.

5. Concerning the legitimation of political parties: The Chinese Communists proposed that the Government should recognize the equal and legitimate status of Kuomintang, Communist Party and all other political parties. The Government said it is a normal practice of a constitutional government that all political parties are equal before law. This can be recognized now.

6. Concerning special secret service organizations: It was mutually agreed that the Government should strictly prohibit any organizations other than judicial organs and the police from having the right of detaining, arresting or interrogating people.

7. Concerning the release of political prisoners: The Chinese Communists proposed that the Government should release all political prisoners except those who are national traitors. The Government indicated that it is prepared to do so and the Chinese Communists may submit a namelist of these prisoners for reference.

8. Concerning the question of local government: It was mutually agreed that local government should be actively carried out and a general suffrage be held from bottom to top. The Government however, did not want to see that this will affect
the convocation of the National Assembly.

9. Concerning the nationalization of armed forces: The Chinese Communists proposed that the Government should fairly and reasonably reorganize the entire Chinese armed forces, decide on its implementation area by area, demarcate the military zones, and formulate a system of conscription and replenishment with a view to unifying the military command. Under this program the Chinese Communists would be prepared to have their troops reduced to a minimum of 20 or 24 divisions and to move quickly the anti-Japanese troops under their command from Kwangtung, Chekiang, southern Kiangsu, southern Anhwei, central Anhwei, Hunan, Hupei and Nonan (excluding northern Honan) for concentration in areas north of the Lunghai Railway and in northern Kiangsu and northern Anhwei. The Government said a nation-wide military reorganization program was being planned, if the questions raised in this talk should be solved overallly; it would consider reorganizing the Chinese Communist forces into 20 divisions. As to the question of stationing areas, the Chinese Communists may submit a detailed plan for discussion. The Chinese Communists further proposed that their military personnel be allowed to participate in the work of the National Military Council as well as its branches, that the Government should establish a good personnel system, that their military personnel be reassigned officers and lieutenants, that in reorganization of their military personnel, training be given in areas, a fair and reasonable system of replenishment be established and a political education program be formulated. The Government said all these are acceptable and details may be discussed. The Chinese Communists proposed that the militias in the liberated areas be disbanded and reorganized into local defence forces. The Government said such reorganization and resettlement may be carried out if the local situation requires and permits. In order to formulate concrete plans regarding the questions mentioned in this section, it was agreed that a Committee if Three should be formed, with one each to be assigned by the Ministry of War and the Chief of General Staff of the Government and the Eighteenth Army Group of the Chinese Communists.

10. Concerning the Government in liberated areas: The Chinese Communists proposed that the Government should recognize the legitimate status of government of all levels in the liberated area. The Government said that after the unconditional surrender of Japan, the term of liberated area should be used no longer, and that the political command of the nation must be unified. On this matter, the Chinese Communists submitted proposals for four times during the talk. The first proposal submitted at the beginning asked the Government to demarcate provincial and regional areas according to the present distribution of 18 liberated areas. The Chinese Communists also requested that their local government officials of all levels, who were elected by people, be commissioned by the Central Government with a view to unification of political command. To this proposal, the Government said that demarcation of provincial and regional areas involves a drastic change in administration and requires an overall planning, so it cannot be carried out in short period. The Government also said that President Chiang has told Mr. Mao Tse-tung that after unification of the military and political command, the Government will consider appointment of government officials as recommended by the Chinese Communists, and those who have worked for the war in the recovered areas may be the candidates depending upon their working ability and performance with no discrimination because of their political involvement. The Chinese Communists then submitted the second proposal requesting the Government to appoint by their recommendation the governors and commissioners for the five provinces of Jehol, Chahar, Shansi, Shantung and Hopei as well as the Chen-Kan-Ning Border Area, the deputy governors and commissioners for the six provinces of Suiyuan, Honan, Kiangsu, Anhwei, Hupei and Kwangtung (because whole or part of these 11
provinces are liberated areas), and deputy mayors for the four special municipalities of Peiping, Tientsin, Tsingtao and Shanghai. The Government also was requested to appoint by Communist recommendation officials to join in the administration of Manchuria. After being discussed for several times, this proposal was revised by the Chinese Communists to cover governors and commissioners for only the four provinces of Jehol, Chahar, Hopei and Shantung as well as the Shen-Kan-Ning Border Area and deputy governors and commissioners for only the two provinces of Shensi and Suiyuan. To this proposal, the Government said that any person who has made distinguished contribution to the war with the ability in government administration may be recommended by the Chinese Communists for consideration and appointment. If the Chinese Communists insist that some governors, deputy governors or commissioners must be recommended by them, that will indicate they do not have the sincerity in observing the unification of military and political command. The Chinese Communists, therefore, submitted their third proposal which suggested that the local government of all levels in liberated areas be re-elected by a popular vote, and under the supervision of the political Consultative Conference; members of various political parties or nonpartisans are welcomed to return to their home towns and villages to participate in the election. The proposal also said that in a hsien, or a county, if more than half of the chiefs of districts or villages have been elected by popular vote, the hsien or county may hold a general election to elect its magistrate. And in a province if more than half of the magistrates have been elected by popular vote, the province may hold a general election to elect its governor. The governors and magistrates so elected should be officially appointed by the Central Government to achieve unification of political command. To this proposal, the Government said that as the position of a province is to be defined in the new constitution, no election of provincial level may be held at this time. The appointment of magistrates, however, can be considered. The Government said at present governors must be appointed by Central Government to facilitate take-overs and restoration of order. The Chinese Communists then submitted their fourth proposal which suggested that the status quo in the liberated areas be maintained to await a solution on provincial election by the constitution. For the transitional period, however, some measures should be taken to assure restoration of order and peace. The Chinese Communists, at the same time, suggested that this question be taken up by the Political Consultative Conference for settlement. To this proposal, the Government said that for the early unification of military and political command, this question must be solved now without any delay, otherwise it would constitute an obstacle to peaceful national reconstruction. It is therefore the hope of the Government that some concrete measures be worked out to solve this problem. The Chinese Communists agreed to continue negotiations on this matter.

11. Concerning the question of national traitors: The Chinese Communists suggested that national traitors be severely punished and troops of the puppet regime be disbanded. The Government said this is of no question in principle but punishment of national traitors must be carried out according to law and disbandment of puppet troops be handled with careful planning in order to avoid creating disturbances in the local society.

12. On accepting Japanese surrender: The Chinese Communists asked the Government to redemarcate accepting areas and to allow them to participate in the acceptance. In reply, the Government said that the participation of Communist forces in accepting Japanese surrender could be considered if government orders are observed.


(61) Foreign Relations, 1945, VII.
(63) Chinese Communist Documents: "On Chungking Talks"
The major points in the two parts of "political considerations" and "right and concessions" as contained in Vincent's report were generally as follows:

A. Political considerations:
   1. The purpose of U.S. military assistance is directed towards the establishment of a strong, stable and united China with a government representative of the wishes of the Chinese people which will effectively discharge its internal and international responsibilities.
   2. The present government of China is recognized by the United States, but it is strictly controlled by a single party, namely, the Kuomintang. The inefficiency of the government, the corruption of its armed forces, the lack of protection accorded to person, and the absence of freedom of speech and freedom of the press have created widespread dissatisfaction of the people.
   3. Political forces opposed to the government include the Chinese Communist Party, the Democratic League, certain militarists in Szechuan, Yunnan and Kwangsi, and such semi-independent provinces as Tsinghai, Sinkiang and Ningsia. The Chinese Communist Party which, during the past ten years and in spite of the efforts of the National Government to liquidate its members, has developed into a dynamic force controlling considerable areas in the provinces of Shensi, Shansi, Hopei, Shantung, Anhwei and Kiangsu. It exercises control over a population to range from twenty to fifty million people. Through diplomatic and military representatives in China, we have urged the National Government to take rapid and concrete measures to effect the establishment of constitutional government and to bring about the internal unity and solidarity. But whether these results can be achieved remains to be seen.
   4. Because of this, we should be realistically alert at all times to our support to the present government in China. Appropriate considerations also should be given to the question whether the economic strength of China can bear such a large military expenditure.
   5. The military aid given to China should be no more than that which is sufficient to support its maintenance of local order internally and discharge of international responsibilities externally. Except the United States, China is not expected to obtain aid from other sources. Therefore, it is unnecessary to worry about its turning to other nations for aid.
   6. The Soviet Union, though a possible supplier of materials and advice to China in the event that we do not, is also a competitor in the event that we do supply materials and advice on a scale which it may interpret as threatening. As at present the Soviet Union is to deal with us on a partnership basis, and it is considering to withdraw all its forces from Manchuria, we must exercise special care to give no basis for a suspicion on the part of the Soviet Union produced from such interpretation as threatening.

B. Rights and concessions:
1. The American personnel in the Military Advisory Group to China are under jurisdiction of no other courts that those of the U. S. Army and Navy.
2. The Government of China shall not request any similar assistance from other nations without prior agreement from the U. S. government.
3. The cost of all supplies, services and facilities as may be required by the U. S. Military Advisory Group will be borne by the Chinese Government. The U. S. personnel will receive their pay and allowances in U. S. Dollars. In the event they are paid in yuan, rather U. S. dollars, as mutually agreed upon, the Chinese Government will agree to make available a rate of exchange which will enable an equitable purchasing power to be maintained at all times.
4. China will impose no import, excise, consumption or other tax, duty or impost, on material, equipment, supplies, or goods shipped by the U. S. personnel from outside China. China will allow exemption of U. S. military cargo from inspection.
5. Military Advisory Group personnel will be granted the right to operate aircraft, vehicles, ships and craft over and through Chinese territory and waters, and the right to photograph and make aerial maps of those portions of China proper, including Inner Mongolia and Manchuria.

(77) Foreign Relations, 1945, VII, pp. 584, 585, 593.
(78) This was the famous note sent to Generalissimo Chiang by General Wedemeyer, numbered C-62-7 and dated November 10, 1945. See Military Situation in The Far East, pp. 554-556; Wedemeyer Reports, pp. 350-351.
(79) Ching Ju-chi was a Chinese student in the United States and an espionage agent of the Chinese Communists. In the last years of the war against Japan, he worked in General Wedemeyer’s headquarters to handle files in Chinese. After General Marshall came to China, he was assigned to Marshall’s staff and did the same job. Because of this convenience, he knew military secrets between the United States and China in that period. In 1949 when the Chinese Communists ruled China, Ching Ju-chi appeared in his true status and by compiling the twenty-nine secret documents stolen from U. S. headquarters, he wrote the book “Inside Stories of U. S.-Chiang Plots” which was published by the New Democracy Book Company in Hong Kong.
(82) Foreign Relations, 1945, VII, pp. 569-570.