FORMOSA

Policy Toward the Island

The testimony of Generals Marshall, Bradley, Wedemeyer, and Harr, Admiral Sherman, former Secretary of Defense Johnson, and Secretary Acheson established the fact that United States policy toward Formosa prior to the Korean invasion was based upon three clear-cut considerations: 1) the attitude of the military chiefs that while Formosa should if possible be kept from falling under communist control, but that "overt United States military action to deny Communist domination would not be justified;" 2) overwhelming evidence of political and military weakness of the Nationalists on Formosa; 3) the necessity for maintaining American prestige in the eyes of other Far Eastern countries, many of them very unfriendly toward the Chinese Nationalist regime.

Among the numerous military witnesses, only General MacArthur assigned life and death strategic importance to the island of Formosa. In the face of General MacArthur's insistence that the loss of Formosa would mean loss of the Pacific, the Joint Chiefs of Staff and Generals Marshall, Wedemeyer, and Harr agreed in substance with Admiral Sherman's estimate that:

"Formosa should not be allowed to fall into unfriendly hands... although we have also felt that, in the state of the Military establishment, that we couldn't afford to deploy forces in there to attempt to hold it."[8]

General Bradley also concurred:

"From the military point of view we think it is important it not be held by the enemy and not important enough that we should go occupy it."[8]

Admiral Radner described the island as an ineffective naval base because of the lack of harbors.
With due respect for the unquestioned ability of General MacArthur, we are inclined to admit that the weight of logic in this matter appears to be on the side of the Joint Chiefs. Under questioning, General MacArthur himself pointed out that in World War II, Japanese ownership of Formosa was of little advantage to that nation, once the United States had been established in the Philippines and on Okinawa. Aside from the dispute with regard to the importance of Formosa, however, the fact remains that the decisions taken in the matter were based upon the judgment of our highest ranking military authorities, whose abilities, patriotism, and past services are well known to all, and we feel the Government had no alternative to acceptance of their judgment.

Wendemeyer Report

The record shows that by August 17, 1947, the administra-
tion of Formosa under Nationalist control was already facing
severe difficulties involving the possibility of failure.
On that date, General Wendemeyer, following a tour of the
island, reported to the Secretary of State as follows:

Our experience in Formosa is most enlightening.
The administration of the former governor, Chen Yi,
has alienated the people from the Central Government.
Many were forced to feel that conditions under auto-
cratic rule were preferable. The Central Government
lost a fine opportunity to indicate to the Chinese
people and to the world at large its capability to
provide honest and efficient administration. They
cannot attribute their failure to the activities of
the Communists or of dissident elements. The people
anticipated sincerely and enthusiastically deliverance
from the Japanese yoke. However, Chen Yi and his
bureaucrats ruthlessly, corruptly, and avariciously
imposed their regime upon a happy and amenable
population . . .

They fear that the Central Government contemplates
bleeding their island to support the tottering and corrupt
banking machine and I think their fears well founded.
Defense of Formosa

This condition apparently did not improve as the military position of the Nationalists on the mainland of China continued to weaken, and in August 1949, Secretary of State Acheson informed the military that the retention of Formosa by diplomatic and economic measures alone appeared improbable. The Joint Chiefs, however, at a meeting on August 16, "reaffirmed their previous view that overt United States military action to deny Communist domination of Formosa would not be justified." 4

In the fall of 1949 all intelligence agencies of the Government concurred in a basic estimate that only direct intervention by American forces could save the island.

In view of these developments, common prudence required that concerned agencies of the Government adjust their planning to the possible loss of Formosa.

Psychological Warfare Directives

In December 1949, therefore, in an effort to soften the blow to American prestige which the loss of Formosa might entail, the Department of State issued its highly controversial policy statement minimizing the significance of Formosa. While we do not wish to go on record as condoning such practice, certain considerations must be remembered. The Assistant Secretary of State for Public Affairs was informed in a memorandum, dated August 26, 1949, on stationery bearing the letter-head of the Chief of Staff, written and signed by Lieutenant General Albert C. Wedemeyer, then serving as Deputy Chief of Staff for Plans and Combat Operations, to the effect that:
The Joint Chiefs of Staff believe that the
probabilities of the Formosa situation make it more
than ever necessary that every effort be made to
foretell any weakening of the ever-all United States
position with respect to the Philippines, the Ryukus,
and Japan. In Department of the Army consideration
of this matter, it appears to be particularly de-
sirable that, should Formosa be lost, this event
should have a minimum of ill effect on the governments
and peoples of western-oriented nations and particularly
those of the Far East. Accordingly, it occurs to us
that, if not already instituted, you may desire to
consider information measures designed to accomplish
this end.

We are aware of the fact, as stated by General Wavemaker
before this Committee, that "Employment of psychological
warfare is standard procedure among all modern nations and
in all fields of strategy under such circumstances." We
strongly feel, however, that this particular piece of
psychological warfare could have been handled with con-
siderably more definiteness, subtlety, and finesse.

We believe further that the publicizing of this incident
by certain members of this Committee has served no useful
purpose, and may have done considerable damage to the prestige
of our overseas information services. Indeed, Russian propa-
ganda agencies have added this incident to their stock in trade
within a few hours after its revelation.

Diplomatic Disagreement Between Defense and State

Only in late December 1949, was there ever a point at
which the recommendations of the Departments of Defense and
State were not unanimous. In early December even after the
retreat of Chiang Kai-shek to Formosa, the Joint Chiefs, as
pointed out by former Secretary of Defense Johnson, were still
not agreed as to the advisability of a mission to the island.
Near the end of the month, however, the Chiefs finally did
recommend such a mission and certain additional military aid.
Having in mind the earlier intelligence estimate, in which all intelligence agencies of the Government concurred, that such action would fail without the direct use of American forces, and having been repeatedly informed that no such forces were available, the Department of State objected to a step which might affect the badly needed friendship of other Far Eastern countries and cause a further decline in American prestige without achieving any useful purpose. The President accepted the position of the Department of State. It is not within our province to use the wisdom of hindsight in evaluating this decision. The fact is obvious from the testimony and record, however, that the decision was taken on the basis of sound reasoning from all available contemporary evidence.

Korean Attack Affects Formosa

After the Korean invasion, Formosa assumed a new significance, and there was immediate unanimity of agreement in the Government as to the necessity for its defense. In the top level meeting where the decisions were reached, Secretary Acheson moved the resolution which resulted in the protection of Formosa. Shortly afterward, in answer to a request from the Department of State for their views, the Joint Chiefs recommended a survey and program of military aid for the Nationalist forces. This program, expected to provide some $300 million in aid, is already in operation.

It is our studied opinion that the Government's policy toward Formosa has been determined by the demands of our political objectives and the actualities of our military capacity.
We believe it will be reassuring to the American people to know that on the subject of Formosa, about which there has been such bitter and acrimonious public dispute, the record shows a remarkable degree of unanimity between the concerned military and civilian branches of the Government regarding the best way to protect American interests.

NOTES
2. Page 1980 (Sherman) or Page 985 (Bradley)
3. Page 2418
4. Supra, Note 1
5. Ibid.