

July 15, 1949 Memorandum to Mr. Claxton, 'Pacific Pact'

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ATTITUDES OF INTERESTED POWERS TOWARD & PACIFIC PACT

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July 15, 1949

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DEPARTMENT OF STATE Division of Research for Far East

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TABLE OF CONTENTS

	Page
I. Summary and Conclusions	1
II. Attitudes of Individual Powers	4
A. Northeast Asia	4
l. China	4
2. Korea	8
3. Japan	12
B. British Commonwealth	14
1. Australia	14
2. New Zealand	15
3. United Kingdom	17
4. India	19
5. Pakistan	21
6. Malaya	21

SECRET

1

SECRET

			rage
C,	Sout	heast Asia	23
•	1.	Philippines	23
	2.	Burma	27
	3.	Indochina	28
	4.	Indonesia	29
	5.	Thailand	30
), •	West	ern Europe	31
	1.	France	31
	2.	Belgium	32
	3.	Holland	32
	4.	Portugal	32
	5.	Spain	33
	6.	The Scandanavian Countries	33
	7.	Italy	33

SECRET

11

SECRET

I. Summary and Conclusions

kecent discussions of a Pacific Pact point to the conclusion that interest in the Pact is based primarily on the conviction that the security of the Pacific is dependent upon the United States. Out of this conviction arises the desire to commit the United States to as great a degree as possible to security arrangements in that area. There is no real evidence that either the proponents of the Pact or those countries whose interests would be affected by it are convinced, at this time, that any basis exists for/regional agreement in the Pacific that would go beyond immediate security requirements, and entail coordination of political and economic policy. Even within this limited framework, only Australia, the Fhilippines, the Republic of Korea, and the Chinese Nationalist Government have given strong support to the idea. On the whole, the other powers with interests in the area appear to be in general agreement with Secretary Acheson's position that formal steps looking toward the negotiation of a Pacific Pact would be premature at this time.

A number of factors lie behind the feeling of most of the Pacific powers that, although a concert of policy among the non-Communist Far Eastern countries is desirable whenever possible, the time is not yet ripe for attempts to achieve a formal regional arrangement. The "present internal conflicts in Asia" referred to by both Mr. Acheson and Prime Minister Nehru have promoted a cautious attitude toward the Pact. Some feeling has been evident that formal negotiations at this time would serve only to complicate the situation in Indonesia and in French Indo-China. India's desire that all Asia be liberated from European control

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leads to suspicion of any move that might strengthen the position of the Dutch and the French in East Asia. The Indonesians, of course, tend even more to react to all moves in the Far East in terms of their potential effects on their own status vis a vis the Dutch. The Dutch, on their side, appear to be reluctant to support any move that might precipitate further international discussion of the Indonesian question to the detriment of the Dutch position in current negotiations. With regard to French Indo-China, Bao Dai has been unwilling to commit himself unequivocally in favor of a. Pacific Pact presumably because of the difficulties such a commitment might create in his negotiations with resistance elements.

Although Communist victories in China have intensified Far Eastern concern with the problem of security, at least two Far Eastern powers, India and Thailand, do not feel that they are prepared at this time to identify themselves fully and openly with an anti-Soviet bloc. In this connection, little comment is as yet available on the Chiang-Quirino discussions. It would appear likely, however, that these discussions will reinforce the continue position of most of the Far Eastern powers. The desire of most of these powers to develop a common approach toward the Communist regime is not likely to extend to willingness to utilize a regional security arrangement as a basis for support to a rump Kuomintang regime.

There has been no official and little newspaper comment on the Pacific Pact in Western Europe but it may be assumed that many Western European countries would share the concern of the United Kingdom over the prospect that a Pacific Pact might divert world attention and resources from Western Europe and the Atlantic.

3

SECRET

In part, the reluctance of most of the Pacific powers to commit themselves on the Pacific Pact may arise from the strikingly vague terms in which the project has been discussed by its proponents, two of whom, China and Korea, are obviously primarily interested in obtaining immediate military assistance from the United States. The most specific proposals have come from President Quirino of the Philippines. In March, Quirino apparently envisaged an arrangement similar to the Atlantic Pact with the United States taking the leading role. Since Secretary Acheson's statement, however, Quirino has defined his intentions in terms of a Pacific Union that would demonstrate to the United States the ability of the Asiatic powers to join in common action and has stressed economic cooperation rather than military aid.

DECLASSIFIED Authority NND 913309

24

SECRET

II. Attitudes of Individual Powers

A. Northeast Asia

1. China

The development of the current attitude of Nationalist China toward formation of a Pacific Union has occured in three major stages. The first stage of development was in August and September of 1948, when Communist gains and the progressive deterioration of the Nationalists' position forced them to seek continued assurances of outside aid against the Communists. To obtain this kind of support, Government spokesmen proposed an anti-Communist alliance of China, South Korea, and Japan. This meant that Japan would have to be a sovereign nation to be able to enter into international agreements. The Nationalists accordingly changed their line on the Japanese peace conference and began to urge an early conference, even at the sacrifice of their earlier demands that they be given veto rights at the conference table and that the participation of the USSR in the conference be ensured.¹

The second stage came in March, 1949, when the Western nations negotiated the Atlantic Pact. At this time, the Nationalists enlarged the scope of their thinking concerning possible regional security arrangements and visualized a larger alliance, including all of the non-Communist nations of the Pacific and Far Eastern community. The model for such an alliance was, of course, the Atlantic Pact. The Nationalist press decried the short-sightedness of Western statesmen

1. Intelligence Memorandum No. 126, September 15, 1948; OIR-3478.22, August 25, 1948, SECRET.

that allowed them to pursue a Europe-first policy to the neglect of the equally dangerous developments in the Far East. These Mestern nations were called upon to extend their anti-Communist organization to a world-wide basis and support a union of Far Eastern Nations.

The third and last stage of development of Nationalist attitude toward a Facific Union came on July 10, 1949, when Generalissimo Chiang K'ai-shek and President Quirino met at Baguio, in the Philippines, to discuss measures of cooperation against the Communist menace. After their conversation, Chiang and Quirino issued a joint statement, saying they deemed it necessary that countries of the Far East "should at once organize themselves into a union for the purpose of achieving solidarity and mutual assistance to contain and counteract that common threat."¹ The union envisaged would be composed initially of the Philippines, China, and South Korea, these to form the nucleus of an eventual Pacific Union which will include Siam, India, Indonesia, Australia, New Zealand, and the US. There was no mention of military cooperation in this agreement.

The agreement represented two major changes from the original Chinese Nationalist view of a Pacific security pact. First, the Chinese had originally thought in terms of military assistance, principally from the U.S. President Quirino may have sought to avoid military involvement in China, although omission of military provisions might merely have reflected the realization that the US probably would not enter another major pact entailing military assistance commitments. Second, 1. T-1720, Manila, July 12, 1949.

SECRET

5

Original Scan

Original Scan

6

SECRET

the participation of Japan in such a pact was not mentioned in the statement issued at Baguio — possibly because of a desire not to appear to be taking any initiative at this time with regard to an area under US occupation.

There are some indications that Chiang's action in conferring with President Quirino does not represent the entire Government's attitude. The disturbance manifested by groups supporting Li Tsungjen when the full intelligence of Chiang's moves reached them seems to indicate that they do not lend their wholehearted support to the moves toward Pacific Union effected at Baguio. In the absence of specific statements from these groups, however, it will have to be assumed that their opposition is directed not against the general development of a Pacific Union, but against the high-handed manner in which the Generalissimo took it upon himself to commit the Government without even consulting it.

From the Chinese viewpoint, the key in the whole movement for a Pacific Pact seems to be the US. The Pact must have the participation of the US if it is to succeed in benefiting the Nationalists in their struggles against the Communists. Continued US aid may in fact be said to be the ultimate objective in Nationalist diplomacy in pushing the Pacific Pact. Nationalist leaders presumably hope that the US would be forced to continue aid if she were aligned with Nationalist China in an international pact. At the very least, the Nationalists may hope

1. T-715, Canton, July 11, 1949; T-721, Canton, July 12, 1949.

Original Scan

7

SECRET

that their participation in a Pacific Pact would serve to preserve their international status and delay recognition of the Chinese Communists. In this light, the concern of the Nationalist press over the alleged indifference of the US to the Pact is understandable.

8

SECRET

2. Korea

The Republic of Korea has been one of the prime movers in the agitation for a Pacific Pact. As early as March 23, 1949, President Rhee, in commenting on the conclusion of the Atlantic Pact, advocated a similar arrangement for the Pacific area under the leadership of the United States. The statement by Secretary Acheson, indicating US present disinclination to sponsor such a move in the Pacific, led the Korean Government then to accent the necessity for the initiative to be taken by the Asiatic states themselves. In commenting on Mr. Acheson's statement that "a Pacific defense pact could not take shape until present internal conflicts in Asia were resolved," President Rhee declared: "I think that reason is very weak. All democratic nations should not wait, but should take definite action and help build up the democratic camp, instead of remaining neutral. They should settle the Communist problem in favor of the democratic countries. I do not see why the democratic countries should not band together and form a defense bloc. If we open up a Pacific pact and invite the Kuomintang, I think that this is strengthening the democratic elements in China rather than weakening them. The democratic nations must stand together and show some backbone, rather than standing individually." President Rhee has accordingly urged the Philippines to initiate discussions regarding a Pacific agreement. Korean newspaper opinion has approved the idea of Far Eastern initiative and has urged that the pact not be used to protect the colonies of European powers. In the minds of the President and the Korean Foreign

SECRET

9

Office the possible member countries, other than the US, which would be approached later, would be Korea, Philippines, Australia, New Zealand, Burma, India, Pakistan, Ceylon, Siam, Canada, and several countries along the west coast of Central and South America. The omission of France and the Netherlands from official Korean proposals regarding membership would seem to indicate that the government is in accord with the press on the desirability of avoiding positions in connection with the Pact that might appear to strengthen colonialism in Asia. Although the South Korean government might initially object to the inclusion of France and the Netherlands in a Pacific Pact, unless Indonesia and French Indo-China were also participants, concern with Korean security would be over-riding in this respect.

President Rhee previously excluded Japan as a prospective member, but he has lately indicated that he has no definite reasons for exclusion of Japan other than its lack of full sovereignty, and his doubt that Japan has experienced a genuine change of heart. In commenting upon the Chiang-Quirino meeting, however, Rhee included a possible revival of Japanese imperialism as well as the danger of communism as creating a need for a Pacific Pact. In this connection, he declared: "If our Pacific countries will work together and cooperate like the North Atlantic countries of Europe, we need not fear further Japanese militarism and the United States will not feel the necessity of rearming Japan as a defense against communism. Complete cooperation and agreement among countries of this area who sign the Pacific pact will produce stronger

10

defense than is needed to cope with any possible future Japanese militarism." Greeting the Chiang-Quirino meeting with enthusiasm, President Rhee on July 12 expressed the hope that both leaders would soon visit Korea. The next day the Korean Foreign Minister further elaborated the Republic's position stating: "Some politicians say that the United States is too busy handling the problems of Europe to show an interest in security measures for Pacific countries. Such a treaty as the Pacific pact will not be concluded soon for that reason. It is necessary that our countries of the Pacific area must organize and attempt to care for ourselves. After all, that is the real substance of a pact later. When our Pacific countries demonstrate that we are able to unite for common defense, we can ask the United States to join us, and she will join us in pleasure, I believe. Unit! we demonstrate our ability to organize, we cannot expect the United States to assist us. Initiative for promoting the Pacific pact should be taken formally by some certain Pacific country aside from the United States. If we do this, more than twenty countries will join. When interest in the Pacific treaty expands, we will then request United States participation in it. Because the ultimate target for the Communist Party is the United States such a treaty will be of great mutual assistance from the standpoint of economy as well as defense."

The motives of the Republic of Korea in seeking a Pacific Pact are based more on a desire to secure US military commitments and arms for the Republic than on a need for unity among the Asiatic states against Communism. The collapse in China, coupled with the withdrawal of US troops from Korea,

11

SECRET

and the ever-present threat from North Korea and the USSR, makes the Republics' major interestone of attempting to secure the maximum in military guarantees from the US. Having been unsuccessful in delaying the departure of US troops, in securing a US-Korean military alliance, or a statement of policy pledging US support under all circumstances, the Republic of Korea seeks an approximation of these ends through the proposed Pacific Pact.



DECLASSIFIED Authority NND 913309

12

SECRET

3. Japan

Japsnese reaction to the idea of a Pacific Pact has been outwardly one of cautious interest. In April, Premier Yoshida, speaking to the House of Councillors, declared: " ... the prospects of a peace treaty have become slim. Notwithstanding, in my opinion, there may be some ad interim measures ... If the envisioned Pacific Treaty should be similar in nature to the North Atlantic Pact, Japan could not join it, if, on the other hand, it should be a pact for the guaranty of peace, I think Japan should join it to contribute to peace depending upon conditions ... If the envisaged Pacific Pact aims at peace and guarantees it, I believe Japan should join it. However, even if there should be a development to open the way for Japan to join the Allied forces, she is not qualified to join such a military pact, especially considering that she is now completely disarmed and also by virtue of the present Constitution and of the essential policy of the country." Representative press statements have echoed Premier Yoshida's conviction that under present circumstances Japanese participation in an agreement similar to the Atlantic Pact is impossible. It has been suggested, however, that participation might be possible if Japan were given special status whereby its defense against aggression would be guaranteed without the assumption of corresponding commitments to come to the defense of the other signatories. Underlying these speculations. of course, is the conviction that at this time Japan is completely dependent upon the United States for security and the hope that, in the future

constitutional amendment and a change in international attitudes will make it possible for Japan to maintain armed forces.

SECRET

Original Scan

14

SECRET

B. British Commonwealth

1. Australia. The Australian Labor Government for many months has campaigned for a Pacific pact underwritten by the UK and, particularly, by the US. Except for various proposals regarding membership, details have remained nebulous. The campaign has been characterized by repeated attempts of leading officials to lead the public to believe that a broad Pacific defense agreement was in immediate prospect.

In February 1949. Robert Menzies, leader of the Liberal Opposition. endorsed Anthony Eden's proposal for a pact including the US and British Commonwealth countries in the Western Pacific and Southeast Asia; and another Liberal MP proposed the inclusion of South Africa, the Philippines, and Canada. In March, when the visit of Lord Listowel, the British Minister of State for Colonial Affairs, was arousing public interest in defense, J. J. Dedman, the Australian Minister for Defense, announced that discussions were going on for a Pacific regional pact and that countries on both sides of the Pacific had been invited. At the same time, according to Reuters, H. V. Evatt, the Australian Minister for External Affairs, discussed with Ernest Bevin, the British Foreign Secretary, the possibility of a Pacific pact which would include the US and Commonwealth countries in the Pacific and Southeast Asia. In mid-May Prime Minister Chifley said that defense planning for the Pacific was proceeding parallel with defense planning for the North Atlantic, and that the approach should be first an agreement between Britain, Australia, and New Zealand, then with the US. and later with other nations having possessions in the region. Dedman told the Australian House of Representatives that since other Pacific nations,

SECRET

15

SECRET

including the US, were disinclined to join a defense arrangement, the UK, Australia, and New Zealand should go ahead on their own. In June, according to the Australian press, the Australian Council of Defence was informed that Pakistan, Ceylon, and Malaya were willing to join a regional defense pact; but that India was reluctant to commit itself and the US, while favoring a pact, was not prepared to join at that stage.

Domestic politics have to a large extent motivated the Australian campaign for a pact. Under heavy fire from the Opposition for failure to cooperate fully with the US in the Pacific and in UN, the Labor politicians, who must face a general election in late 1949, have publicly campaigned for a regional defense agreement which would enhance their prestige and refute the allegations of the Opposition. Concern for security also has been a factor. Australians are acutely aware that the small population and great area of their country makes it vulnerable to attack. Unrest in populous Southeast Asia, the prospect of China's unification under a Communist government, and the fear that the US and the UK will neglect the Pacific in favor of the European theater — all have increased Australian concern for security. This concern has been limited, however, by two widely held beliefs: that the US under any circumstances will aid Australia for strategic reasons; and that Chinese Communism will not be Moscow-controlled.

2. <u>New Zealand</u>. Convinced that the Asiatic situation should not be allowed to drift, the New Zealand Government wants a Pacific counterpart of the North Atlantic Pact which at the outset would include the US, UK, Canada, Australia, New Zealand, India, the Netherlands, and France. Prime Minister Fraser also is not opposed to the inclusion of certain Central and South

SECRET

16

American countries. The Speech from the Throne of June 28, 1949, contained an overture for such a pact. According to the Assistant Secretary for External Affairs, who drafted the relevant portion of the speech, his government concedes that the European situation has priority but believes that planning of defense in the Pacific should begin at once.

The attitude of the New Zealand Labor Government is shared by the National Party Opposition and by the non-Communist press generally, and represents a genuine concern for security. Unlike Australia, New Zealand on this issue is motivated by neither political nor prestige considerations. As a small isolated country on the fringe of densely populated Southeast Asia and within reach of Soviet submarine bases, New Zealand is perturbed by the spread of Chinese Communism, unrest in Southeast Asia, and the reviving strength of Japan. Their liaison arrangement with Australia and the UK on defense matters now appears to them completely inadequate to the stresses in prospect.

In the past New Zealand has been content to follow Australia's lead in angling for a Pacific pact, and has deferred to the British and American preoccupation with the European situation. In mid-May, when the Australian Prime Minister said that the approach to a common scheme of defense in the Pacific should be by agreement between the UK, Australia, and New Zealand, and thereafter with the US, and ultimately with other nations having possessions in the region, Prime Minister Fraser declared his general agreement. When Secretary of State Acheson announced that the US was not considering participation in collective defense arrangements other than the North Atlantic Treaty, the reaction of the New Zealand Government, Opposition, and press

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17

SECRET

was that New Zealand would not deserve membership in a Pacific pact until it had done more for its own and Commonwealth defense. With this view, both Government and Opposition are advocating compulsory military training, which will be the subject of a referendum in August.

3. United Kingdom. The official British attitude toward proposals for a Pacific Pact has been decidedly lukewarm, but the government has been reluctant to adopt a position of open opposition to Australian overtures. Visits by British officials to the Dominions in March 1949 to discuss preparations for a Commonwealth conference stirred up press speculation about plans for an anti-Communist bloc in the Far East and it was reported that the conference would discuss the Australian-proposed regional pact. Despite persistent press reports and statements by the Australian Prime Minister and Minister of Defense that the United Kingdom was taking an "active part" in Pacific Pact conversations, the Foreign Office categorically denied that Britain was engaged in such conversations or that the Foreign Office itself was actively concerned. Officials told the American Embassy that while some anti-Communist grouping might be desirable, establishment of a Pacific bloc patterned on the North Atlantic Pact was not favored because the area --except for the United States, the British Dominions and the Philippines lacked common interests and ideals and the ability to undertake effective self-help and mutual aid measures. Indecision about the position of India in such a grouping, as well as Secretary Acheson's statement of May 18 that internal stability in the Pacific area must precede a security pact, fortified the British view that discussions at this time would be premature. Early in June, the Parliamentary Undersecretary for Commonwealth Relations

SECRET

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SECRET

remarked that Australia was "way ahead of us, as usual" and that the British attitude was similar to that of the United States as expressed in Secretary Acheson's statement. It can be assumed that this still remains Britain's official position. In addition to the reasons given by the Foreign Office, British reservations and hesitations stem from (a) a wait-and-see policy with regard to China, (b) contrary pressures from India (which opposes an anti-Communist bloc in the Pacific in alliance with western powers) and Australia, (c) concern that a Pacific Pact might divert world sttention and resources from Western Europe and the Atlantic, (d) uncertainty about American policy, and (e) some anxiety that rival regional blocs might have a centrifugal effect on the unity of the Commonwealth.

Outside of official circles there has been some sentiment favoring a Pacific Pact, but it has been sporadic and there has been a tendency to discuss it in imprecise terms and in the general framework of the need for planning a defensive strategy against Communism in Asia. Leading Conservative (Opposition) spokesmen, notably R. A. Butler and Harold Macmillan, have endorsed the idea of a Pacific Pact as a general proposition. Some of the press, including the influential London <u>Times</u>, has been sympathetic in principle but most newspapers stress the difficulties in the way of realizing security arrangements in the Pacific and Southeast Asia at this time. Despite official and press hesitations, however, the British position is not yet closely defined and would undoubtedly be influenced by ultimate American policy.

SECRET

18

19

SECRET

4. India Conservative opinion in India is greatly perturbed about Communist advances in the Far East. The press reacted with alarm to the newspaper report that the US would make no attempt to hold Japan in case of a war with the USSR. The prospect of Communist infiltration and control of virtually all Southeast Asian countries is sufficiently alarming to give rise to open criticism in some quarters of Pandit Nehru's publicly proclaimed policy of neutrality between rival world power groupings. This sentiment is growing but it is still the minority point of view.

Three contrary considerations make it appear unlikely that the New Delhi Government will participate in any Western-sponsored Pacific Security Pact. In the first place, Nehru apparently regards the Chinese Communist revolution in part an expression of Chinese nationalist opposition to century-old Western economic and political control of China, and therefore in potential accord with India's concern to liberate all Asia from European control. The nationalist press discounts the idea that Communist ascendancy in China will establish a new type of imperialist control emanating from Moscow. The Indian press at all levels demonstrates complete lack of enthusiasm for any proposal to buttress Kuomintang resistance to the victorious Communist regime.

Even if the threatened extension of Chinese Communist control to Southeast Asian countries develops, the New Delhi government will endeavor to exploit that threat in its initial stages as an argument for liquidating French and Dutch colonial regimes in order to enlist

20

SECRET

the cooperation of nationalist leadership within the several countries against prospective Chinese and Communist expansionism. It is possible that India might actively oppose any security pact which did not include both Annamese and Indonesian participation. India at this stage is not prepared to identify itself openly with the anti-Soviet bloc especially if it entails compromising its anti-imperialist principles. It is the unresolved problem of colonial regimes in Southeast Asia that Nehru referred in his comment that a Pacific Pact was premature.

New Delhi is also concerned not to over-extend India's limited economic and military resources by accepting commitments to guarantee the security of Southeast Asia. India might give limited direct assistance to Burna if requested to do so. Indian officials assume that Anglo-American intervention or some action within the UN Security Council framework will probably interpose an initial barrier to Chinese expansionism in any case. If India's cooperation should be sought at a later stage, Nehru will then presumably be in a better position to exact conditions which will strengthen India's basic claim to be the moral champion of Asian peoples against Western control. Only if India's security should be directly threatened by events in Southeast Asia is Nehru likely to become party to any Pacific Security Pact which will include imperialist powers. An important collateral consideration would be whether members of the Pact would be eligible to obtain additional equipment in arms.

SECRET

Original Scan

21

5. Pakistan Pakistan would probably join a Western-sponsored Pacific Pact, but its actual military or economic contribution to security would be small. The country is preoccupied with its domestic problems and regards Indian hostility rather than any distant Chinese Communist menance ad the primary threat to national security. Parkistan's principal reason for joining an anti-Communist Pact would probably be to augment with Western aid the relative strength of its military establishment as compared with India's. If the possibility of aid were held out and if it appeared that India might be denied similar assistance by refusing to join the pact Karachi would be certain to react affirmatively. Although nationalist circles in Pakistan share India's opposition to imperialism, Pakistan's jealousy of India's presumed leadership in South Asian affairs would outweigh distaste for continuance of some measure of European control, especially if the latter were capable of checking alleged Indian as well as Chinese expansionism.

6. <u>Malaya</u> Malcolm MacDonald, Commissioner General for the United Kingdom in Southeast Aisa, holds that a Pacific Pact or some such arrangement is probably inevitable and desirable but he stated that in such an arrangement the Dutch and French would probably contribute more liabilities than assets. It is believed that in discussions with British political and military officials visiting in Malaya and with officials of the Celonial and Foreign Offices in

SECRET

DECLASSIFIED Authority <u>NND</u> 913309

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Original Scan

SECRET

Lonion he would urge plans along the lines of a Pacific Pact. Mr. MacDonald's position presumably rests upon his judgment of the Communist threat in Malaya. In public speeches and broadcasts he has stressed the world-wide aspects of Communist strategy in which Communist-led guerrilla tactics in Malaya play an integrated role. In private conversations he has recognized the desirability of regional solidarity in Southeast Asia against Communism. He has expressed the opinion that the British could not hold Southeast Asia in either a plitical or military sense without US help and that India's cooperation would be important.

Mr. Brazier, Labor Adviser to the Federation of Malaya and Singapore, has stated that Communism is a threat to all Southeast Asian countries and that they have common problems in combatting it. It is not known that the High Commissioner of the Federation of Malaya, the Governor of Singapore, or other high local officials have explicitly stated their opinions regarding regional security, but there is no reason to believe that they do not follow the attitude prevailing in the Colonial Office. Likewise, it is not known whether or not Dato Onn, leading Malay official, has expressed his opinion regarding a Pacific Pact, but the leading consevative Malay newspaper, <u>Majlis</u>, in an editorial last February approved the idea of a Pacific Pact which would include Pakistan, India, Ceylon, Australia, and New Zealand.

C. Southeast Asia

1. Philippines

Philippine support for and opposition to the Pact. Since President Quirino's first public sponsorship of a Pacific Pact on March 20, the major support for the Pact has come from the Administration, with generally tacit backing by the Philippine press and with opposition from the minority Macionalista party. Quirino reitorated his recommendation for a Pact in speeches on March 26 and July 4, and at the same time attempted to ascertain the official US attitude through diplomatic channels in Manila, Rome, and Washington. On July 10 and 11, Quirino met with Chiang-Kai-shek at Baguio and laid the groundwork for an agreement. Quirino's position on the projected alliance has generally been supported by the leading officials of his administration, particularly by members of the Department of Foreign Affairs. In March, the concept of a defensive alliance similar to the North Atlantic Treaty was approved in speeches by prominent majorityparty members of the Philippine Congress, including the Speaker of the House of Representatives and the chairman of the House Committee on Mational Defense and on Un-Filipino Astivities.

However, the press which gave fairly weak support to the Pact before the Baguio conference, evidently has become more critical since them. Before the conference, apparently only two editorials were printed on the subject of the Pact -- one in favor and one opposed, although all newspapers displayed prominently many articles "slanted" in favor of the Pact. Embassy Manila reported in March that "most of

SECRET

them /I.e., the Filipino people/ would, from all indications, be very agreeable to such a pact." Since the Baguic meeting and the outlining of the Pact, most Manila newspapers have advised a more cautious policy on the part of the administration.

As early as March, the Pact was criticized by Opposition leaders, including Laurel, as being unfeasible. Although such criticisms probably were notivated at least partly by considerations of internal politics, their significance should not be overlooked in view of the possibility of Laurel's election to the presidency in November. The only other adverse criticism of the Pact has come from Communistinspired sources, such as the head of the largest Philippine labor federation and a fairly popular journalist in Manila.

Ehilippine conception of the nature of the Pact. In the period from Quirino's first recommendation of a Pact in March to the Baguio meeting, the publicised Philippine conception of the Pact has changed in several respects. The emphasis on military aid and active US participation in the Pact outwardly has diminished, and the stress on mutual economic assistance among Pact members seemingly has increased. On March 20, Quirino is reported to have advocated the establishment of "a Pacific security pact, similar to the Atlantic Pact, to fight commanism in the Far East" and that "America should take the lead in the Far East and not concentrate her entire attention on Europe." In his speech on July 4, however, Quirino conceived of the Pact as "a real union of the peoples around the Pacific.../to enable/ undeveloped members to help themselves better through cooperation

SECRET

DECLASSIFIED Authority NND 913309 24

Original Scan

25

SECRET

and common protection in the manner contemplated in President Trumen's bold new program of technical and material mutual aid." Moreover, the official press statement from the Baguio conference merely called in ambiguous terms for "a union for the purpose of achieving solidarity and mutual assistance to contain and counterast that common threat /I.e., Communism/. Quirino told the press at Baguio that China and the Philippines were "not asking anything from the United States" and that they "did not bother the United States because it is the intention of these two Far Eastern countries to organize with whatever resources they have to stop communism as their contribution to the American campaign against communism."

General Romulo, Philippine representative in the UN and FEC, informed our Ambassador to Manila (now here) that only July 7 he had recommended to his Government the formation by Korea, the Philippines, Australia, New Zealand, Thailand, Indonesia, Burma, Ceylon, and India of a political and economic union through which the signatory governments could (1) defend their freedom against the Russo-Chinese Communists while repudiating European imperialism, (2) make a common offer of economic cooperation with the US under the Point Four Program, and (3), after demonstrating that there is a chance of limiting the spread of Communian from China by force, consider a collective appeal for US military assistance. Romulo emphasized the vital importance of Indian support for the union and suggested that Nehru be consulted preliminary to any other steps.

26

SECRET

Despite the apparent changes in the Fhilippine conception of the Fact, the Fhilippines doubtlessly would prefer a security alliance similar to the North Atlantic Treaty -- which would include both the US and Japan -- plus military aid and some form of mutual economic assistance among Fact members. The minimum form of a Fact which the Fhilippines would be prepared to accept probably would be an anti-communist alliance with at least moral support and technical assistance from the US and with other fairly powerful Far Eastern countries as active members besides the original three -- China, Korea, and the Fhilippines -- as conceived at Baguio.

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2. Burma

The threat of aggression from Communist China has aroused considerable comment in the Rangoon press on the possibility of Burma's participation in some kind of Asian security arrangement, preferably under Indian leadership. India's recent decision to continue as a member of the Commonwealth combined with growing disillusionment in Burma with Leftism as a means of solving economic problems had already established an observable trend in the direction of cooperation with anti-Communist measures. Overt Burman alignment with a Western-sponsored security pact for Southeast Asia apart from India's participation might not be politically feasible because of nationalist and Communist opposition to continued influence of the West in the area. It is significant nevertheless that the Burma Government recently asked that it be regarded by the US as one of the "like-minded states" with whom Secretary Acheson expressed a desire to cooperate in developing a common policy toward Communist China. Thakin Nu's speech to Parliament of June 14, 1949 made the following reference to the security problems

"Although our independence is over a year old, we have up till now no economic or defence treaty on which we can fall back in time of need. It is obvious that we cannot go on in this fashion indefinitely. It is now time that we should enter into mutually beneficial treaties or arrangements, defence and economic, with countries of common interest. The Union Government is at present considering this question in all its aspects."

It is not apparent that Burma's leaders, although increasingly aware of their country's insecurity and inclined, therefore, to seek

SECRET

28

SECRET

outside help, have thought through in any realistic fashion what an effective security system for Southeast Asia would entail. Current negotiations with Commonwealth representatives at Rengoon for military aid will doubtless continue, and they may afford the avenue by which Burman participation in a more general arrangement can be achieved.

3. Indochina

The proposal for a Pacific Pact has not met with an enthusiatic response in Indochina. Bao Dai, who recently formed a Vietnamese government under French sponsorship, has been unwilling to commit himself unequivocally in favor of such a past presumably because of the difficulties such a commitment might create in his negotiations with resistance elements. The Vietnamese resistance radio in a broadcast of July 11, 1949 declared that although the Vietnamese would support a Far Eastern pact favoring the freedom of peoples, "any pact to thwart the independence movements and to perpetuate colonial rule even under new cloaks would be doomed to failure, hated, opposed, and execrated by self-conscious Asia." Although French colonial sentiment has been more positive, it has centered generally on hopes for US support for the French military position in Indochina. The Saigon French-language newspaper "Le Populaire" in an editorial of June 9, 1949 called discussions of any Pacific Pact "premature". French military officials in Indochina have informally urged Franco-Anglo-American talks for the defense of Southeast Asia, particularly Indochina, but have not advocated a more inclusive Pacific Pact.

SECRET

4. Indonesia

Indonesian nationalist leadership, engrossed in its struggle for emancipation from the Netherlands, has had neither the time nor opportunity to devote itself to the question of the Indonesian role in a Pacific Pact. No official statements from either Republican or Federalist leaders on the subject are available.

Editorials and reports that have appeared in the Indonesian nationalist press and contain references to a possible Pacific security alliance reflect an attitude of watchfulness and a keen awareness of the contest between the US and USSR in Asia. The strategy of Western powers in the Pacific has been contemplated mainly from the viewpoint of whether it increases or decreases Indonesian chances of attaining freedom from colonial status, with allusions to the prospect of the Western powers "missing the bus" should the Indonesian struggle not be resolved speedily.

Any move towards a "acific security pact in the near future that is endorsed by the Netherlands authorities and other colonial powers with dependencies in Southern Asia is likely to be resented, particularly if its military implications can be regarded by Indonesian nationalists not merely as a necessity for defense against outside aggression but as a potential policing force in the area. An important influence will be the attitude of the Government of India as Indonesia is perhaps more ready to follow the Indian lead than some of the other Southeast Asian countries.

SECRET

Original Scan

30

SECRET

5. Thailand

On the whole the Thai people and politicians are ignorant of, or indifferent to, ideological issues. The traditional Thai foreign policy of neutrality between power blocks to preserve independence would make the government hesitant to commit the country to either side of an East-West split,

Among those Thai political leaders who have taken a position on the proposal of a Pacific ^Pact reaction has been divided. The present Thai Premier, Phibul Songgram, has indicated that he favors the formation of a Pacific Pact to counteract the influence of Chinese communism. Statements to this effect first appeared in the Thai Press in March, and in June BBC quoted Phibul as stating that he desired the immediate conclusion of such a Pact, The Thai Government and its army supporters have long sought military supplies from the US and would support a Pacific Pact as a means to this end.

Other quarters have expressed strong opposition to a Pacific Pact. Pessimism regarding Thailand's ability to withstand communist pressure is widespread. A recent debate in Parliament revealed that some of the members were opposed to strong attacks on communism and believed Phibul should pursue a more cautious foreign policy. Phibul replied that while he was opposed to communism and would attempt to prevent its spread to Thailand, he would not take any action leading to open conflict.

If a Pacific Pact proved strong enough to assure Thailand of protection against communist attack, Phibul and the army clique in power would probably be successful in bringing about Thai adherence to the Pact.

31

SECRET

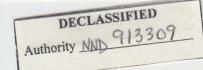
D. Western Europe

1. France

Before the Chiang-Quirino meeting, the only indication of French opinion in regard to a Pacific Pact appeared in an article in semi-official, independent <u>is Monde</u> (March 23, 1949). The editorial stated that it was to be hoped that the Atlantic Pact powers would not depart from their prudence of limiting defense under that pact to the metropolitan areas of the countries involved. "Premature" was the word applied to the early Quirino proposal, first, because such union of the Asiatic peoples would be difficult to achieve at this time and secondly, because the US already has established defense outposts in that area. Finally, <u>Le Monde</u> embraced the British policy, based on the assumptions that (1) military solutions are ineffective; (2) the consolidation of local nationalisms is the best way of containing Communism; and (3) it is necessary to put the emphasis on social reforms and the economic development of the South East Asian countries.

Subsequent to the Chiang-Quirino meeting, the US Consul-General in Saigon reported that the French diplomatic counselor there is puzzled and disturbed over the implications of the meetings. Although, he said, the French had been following with sympathy Quirino's efforts towards an anti-Communist front in south Asia and would not have objected to cooperation of the new Vietnam government, the appearance of Chiang changed the picture entirely. The French now fear that any overt association

1. No official and little newspaper comment on a Pacific Pact has been made by any Western European country.



SECRET

with the Chinese National Government would be an open invitation to a Chinese Communist attack on Indochina.

2. Bolgium

Although Belgium has no direct interest via colonies in the Pacific, she does have a vital interest in Holland, her neighbor, partner in Benelux, and possessor of Indonesia. The viability of Holland, important to the success of the Benelux, is largely determined by the economic health of Indonesia. Furthermore, since the Benelux countries attempt to coordinate their foreign policies, Holland's pacific aims may be expected to influence Belgium's policy. However, while Belgium supported Holland's contention in the Security Council that the Indonesian question was within the internal affairs of the Netherlands, there has been some indication that Belgium did not favor the police action in December, 1948, and would rather, be in favor of a more enlightened policy in Southeast Asia, of development, recognition of nationalistic demands, etc.

Belgium is opposed to the spread of Communism in the Far East, but she might prefer an Indian-led regional defense group which would not siphon off US military aid which is vital to her defense.

3. Holland

Due to the unsettled situation in Indonesia and prevalent anti-Dutch attitude of international public opinion the Dutch would be adverse to raising the question of a Pacific Pact at this time knowing that it would reemphasize again the whole problem of the continuation of Dutch sovereignty in Indonesia.

4. Portugal

Portugal possesses Timor, and colonies in India, and

SECRET

China, which she is determined to keep. She would probably oppose any Pacific Pact which would encourage nationalistic movements within these countries, but would certainly favor an anti-Communist pact. The possibility of such a pact decreasing military or financial aid by the US to her is of minor importance for her ERP aid for next year will probably be small, and she has requested no aid as yet under the MAP. Hence, she would probably favor an anti-Communist, US financially-backed Pacific Pact.

5. Spain

Spain would favor any pact designed to stop the spread of Communism since her government is so strongly anti-Communistic. Furthermore, due to her sympathy with the Philippines, a staunch supporter of the present Spanish Government, she would be even more likely to support a Philippine-sponsored Pacific Pact.

6. The Scandinavian Countries

Scandinavia has no colonies in the Pacific, only limited commercial dealings and little interest there. Denmark, Norway, and Iceland, all members of the Atlantic Pact, if faced with decreased appropriations under the MAP, as a result of the Quirino-proposed Pacific Pact, would probably feel that Europe was the place to make the major effort. Since Sweden would gain indirectly by improved defense capabilities in the other Scandinavian countries, she too would probably favor the "Europe First" argument.

7. Italy

Two factors are important in Italy's case: (1) her government is very anti-Communistic, because of the strength of Communist

SECRET

33

SECRET

Original Scan

34

influence in Italy and because of its pro-Catholic orientation; (2) the Italian Peace Treaty definitely sets the limit to which her defense establishment can be raised; hence Italy would lose little, if any, by the diversion of a pact of US military aid to the Far East. She therefore might be expected to support a US-backed anti-Communist Pacific Pact, as a part of a world-wide defense system against Communism.

Pac Pact [illegible handwriting]

DEPARTMENT OF STATE ASSISTANT SECRETARY

July 15, 1949

To: H - Mr. Gross

From: H - Mr. Claxton [handwritten: "TO" with an arrow pointing at name]

Subject: Pacific Pact.

Information on the Baguio meeting is still coming in. I believe you should read the attached summary by Lockett of what Quirino told him about the meeting.

Fisher of FE is preparing a summary of all background material. I can get a copy later today or tomorrow. It briefs the cables I have already briefed orally to you. It also refers to the very important cable from Romulo to Quirino summarized in today' s secret summary attached. at p.s.

Attachment

H: PClaxton:mej