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Free Chinese Government in Taiwan Tragically Low in Morale
About US China Policy

The most tragic case of lack of confidence in the future among non-Communist Asians is in the Free Chinese Government in Taipei. President Chiang Kai-shek [redacted] feel that the Americans would eventually do as the Chinese Communists hope and predict. His views are strongly colored by several factors [redacted] have disturbed him and which have made him exceedingly more [redacted] [redacted] these factors are.

a. The US has not had an Ambassador in Taipei for nine months, although President Chiang had appealed personally to the US Government for a candid high-level strategic dialogue concerning common US-Free Chinese interests in Asia;

b. The US Military Aid Program is tapering off and Taipei feels its Armed Forces are deteriorating in terms of military equipment and technology vis-a-vis the Chinese Communists;

c. The US is unwilling to discuss with the Free Chinese whether and when the US might want Free Chinese Armed Forces to fight against the Chinese Communists if the open war which President Chiang expects should break out between the US and the Peking regime;

d. Congressional and journalistic comments on China policy in the US speak of a reappraisal of American commitments in the Far East likely to lead to an accommodation with the Chinese Communist regime, an accommodation which can only be effected if the US is willing to jettison the Free Chinese Government in Taiwan.

President Chiang [redacted]

[redacted] is apparently turning over the reins of day-to-day administration to his son, Defense Minister Chiang Ching-kuo, although he intervenes spasmodically. Ching-kuo, who is an able administrator and who has always had a realistic view of Free Chinese capabilities and Free China's dependence on the US for survival, is struggling to maintain morale and forward-motion in Taipei, [redacted]

[redacted] Curiously, the Taiwan economy is booming and the competence of the political administration in Taipei is very impressive. [redacted]

[redacted] we must [redacted]

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[REDACTED] maintain a viable non-Communist Chinese regime in Taiwan as a contrast and political counterpressure against the Chinese Communist regime in Peking.

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