

17 March 1954

*Pls call upon this**A*MEMORANDUM FOR: Chief, Far East Division  
Mr. [redacted] C/Admin/DD/P ✓SUBJECT: Further review and tightening up of CAT  
cover situation as regards CAT pilots in  
Indo-China. \*

1. For the third time within the past ten days, the Director raised a series of searching questions concerning our over-all position and preparedness to cope with the possible eventuality of the loss, from enemy action, of one or more of the CAT air-crews now operating in Indo-China.

2. The Director was given a certain amount of reassurance concerning the contractual arrangements between CAT, as such, and the pilots, including provisions for insurance benefits. However, the Director's questions were much broader than this and what he really wanted was for us to take every step we can possibly think of to ready ourselves for what might happen in the wake of the loss of CAT pilots or crew members who are US citizens in Indo-China. He pointed out that there would probably be considerable hue and cry in the press and possibly demands for congressional investigation of the circumstances involved in the death of US citizens in this "foreign war."

3. There may be some nuts to be tightened up and possibly some new angles to be worked on, and in any case this should receive your priority attention and consideration and any constructive thoughts which you may develop should be coordinated, as appropriate, with the CAT officials, the State Department and perhaps the Department of Defense. These are the most likely original targets for questioning and criticism, and we should be sure that there is a well understood party line.

4. The Director was reminded that as far as State and Defense are concerned they specifically approved of the proposed contract between CAT and the French authorities for the employment of CAT crews (American). [It is my recollection that the NSC and/or the OCB were also put on notice of this proposed contract, but this point should be checked again in our records.]

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5. There was a discussion of the analogy between this present situation and the old -- pre-WW entry into World War II -- gimmick of the Flying Tigers. The set-up was somewhat different in that the Chinese Nationalist Government was the cut-out -- operator -- but the fact was there nonetheless that the funds were provided by the US Government to the Chinese, that US citizens were involved in a "foreign war", and that the Government winked at certain laws which were on the statute books at the time and which by their terms were restrictive or prohibitive of such actions. It would be useful to have General Counsel's Office check the laws of the 1940-41 period with today's laws applicable to this subject. It is my impression that the old Neutrality Act had real teeth in it, but that this law was substantially repealed or amended in connection with Lend-Lease.

FRANK C. STEINER  
Deputy Director (Plans)

cc: DCI via SOCT

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18 March 1954

MEMORANDUM FOR: Chief, Far East Division  
CAO/DD/P - Attention: Mr. [REDACTED]

SUBJECT : Reference memorandum

REFERENCE : Memorandum for C/FE and Mr. [REDACTED] from DD/S dated 17 March 1954; subject: Further review and tightening up of CAT cover situation as regards CAT pilots in Indochina.

1. After General Cabell had read his copy of the reference memorandum, he was apprised that FE was undertaking to formulate a cover story or have State formulate a cover story which could be used in the event that one of the CAT pilots were lost in FIC. He stated that in addition to this he felt that what the Director had in mind was to provide a cover story for others who might be concerned in that eventuality including (a) each pilot in the event he is captured and (b) the other pilots working in the area, Ambassador Heath, CAT itself, General Navarre, the Defense Department and CIA, and in the last instance, the cover story may well be completely negative. In formulating any cover story -- and it is recognized that it will be based largely on the truth -- consideration should be given to various subsidiary eventualities such as the death within Communist territory, death within friendly territory or capture by the Communists.

2. Will you please undertake to advise and assist in the formulation of these cover stories to be communicated to those concerned and checked out with them as to whether they are acceptable.

[REDACTED]  
Special Assistant to DD/P

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