HR70-14

17 March 195h Thi

HUMORA MERINE FOR:

SUEJ CT:

Further review and tightening up of CAT cover situation as regards CAT pilots in Indo-China.

0/Admin/DD/PL

1. For the third time within the post ten cays, 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 energy action, of one or more of the CAT air-crews now operating in Indo-China.

Chief, Far Cast Division

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2. The Director was given a certain amount of reassurance concerning the contractual arrangements between 6/9, as such, and the pilots, including provisions for insurance benefits. However, the Director's questions were such 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 64° pilots or crew needers who are US citizens in Inde-Opina. We 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 citigens in this "foreign var."

3. There may be some muts to be tightened us 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 CFT officials, the State Department and perhaps the separtment of Defense. These are the most likely original targets for questioning and criticism, and we should be sure that there is a vell understood party line.

h. The Director was reminded that as far as State and Lefence are concarned they specifically approved of the proposed contract between CAT and the French authorities for the exployment of 97% crews (American). At is my recollection that the NFC and/or the OFD wore also put on notice of this proposed contract, but this point should be checked again in our records.

APPROVED FOR RELEASE □DATE: 18-Aug-2009

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5. There was a discussion of the analogy between this present situation and the old -- pre-MS entry into World War II -- ginarick 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 nonatheless that the funds were provided by the WF Government to the Chinats, that WF 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-Al period with today's laws applicable to this subject. It is my impression that the old Neutrality Act had real teeth in it, but thet this law was substantially repealed or spended in connection with Lend-Lease.

> FRANE C. STORAR Deputy Director (Plans)

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18 March 1954

MEMORADUM FUR: Chief, Far East Division CAO/DD/P - Attention: Mr.

SUBJECT

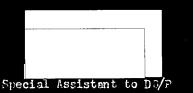
: Reference memorandum

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: demorandum for C/FE and Mr. from DD/9 dated 17 March 195h; subject: Further review and tightening up of CAT cover situation as regards CAT pilots in Indochina.

1. After General Cabel) had read bis copy of the reference memorandum, he was apprised that PE 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, Ambass dor Heath, CAT itself, General Mavarre, 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.



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