

FRANK E. MIDKIFF
406-7 Castle and Cooke Building
Honolulu, T. H.

February 7, 1950

Senator William F. Knowland
Washington, D. C.

Dear Congressman Knowland:

The attached statement makes specific suggestions for dealing with Formosa, Korea, and the countries of Southeast Asia.

This statement is a follow-up on previous efforts made by the Chamber of Commerce of Honolulu and others in Hawaii to insure that our Government takes all practicable steps to aid the non-Communist countries of Asia to retain their freedoms.

Suggestions are listed, with some argument, of ways to prevent the consolidation of a Soviet Empire of Asia. We fear that Soviet annoyances in Europe may now be designed to distract attention from and cloak the main Soviet drive which we believe to be in Asia.

We believe an All-Asia Soviet Empire, once consolidated, easily could acquire the remainder of the European continent also.

Russia is finding conditions in Asia much better adapted to seductive promises and seeds of Communism than in Western Europe. Her efforts are rapidly effective in Asia, whereas they do not promise cheap victories and expansions in Western Europe any more. But we believe conditions in the non-Communist countries of Asia can be improved by normal and profitable trade and interchange of visiting businessmen and officials, so that ways of the free countries, such as America, and the friendship and cooperation of the countries of freedom will be preferred by the new forming and self determining non-Communist countries of Asia.

Yours very sincerely,

Frank E. Midkiff

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Att'd.

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January 30, 1950

Statement regarding

COOPERATION WITH NON-COMMUNIST
COUNTRIES OF ASIA AT PRESENT

by

Frank E. Midkiff
Honolulu,
Hawaii

We who witnessed the attack upon Pearl Harbor December 7, 1941, and who are more than two thousand miles out from the mainland in the Pacific ocean, feel very sensitive to the threat of an All-Asia Soviet Empire.

We do not wish aid given to the Communists. We believe that our National policy is anti Communistic because of Communism's threat to the American way of life.

On the other hand, we wish to aid the countries of Asia that are yet non-communist, in order that they may retain their freedom and may withstand the Red Tide that is spreading to inundate all Asia.

For these purposes, we believe in the following procedures, bearing in mind the acute situations in Korea, Formosa, and Southeast Asia with practically all China already under the Soviet Allied-Communists:

1. The Communist Government in China imprisons our Consuls and actively works to discredit our Government. It is hard to see the wisdom of recognizing that government and by implication approving such conduct. Such recognition would fill our cities with Communist consular staffs but probably would not provide us with very influential "listening posts" in China. Rather, the characteristics of a country behind an Iron Curtain may be expected.
2. Red China's dependence upon Russia for material aid may prove to be a wash-out. The value of Russia as a friend and supplier may leave the Red Government of China incompetent unless the United States can be counted on to provide the counsel and trade that China needs. Should the Chinese really discover that Russia is not much of a material help probably our aid thereafter will be more appreciated and will benefit the Chinese more and the Soviet Empire less.

Possibly if the revolutionists that have siezed the Government of China from a corrupt Kuomintang outfit are sold down the river by Russia on the Manchuria and Mongolia issues, and get no help from Mother Russia in case of famine and unrest, then perhaps the Communist ideology will be abandoned as ineffective. Possibly then a form of government that is compatible with democratic freedom and free enterprise will emerge. Then again we can really aid China as well as the presently non-communist countries of Asia. But it is hard to imagine the Communist regime ever eventuating in anything but a totalitarian police state, implacably hostile toward democratic freedoms and especially toward America, which country is an example of good living under free enterprise. It seems pure wishful thinking to believe that appeasing and aiding the Communists in China will not also promote the formation of an All-Asia Soviet Empire, and encourage the countries of Southeast Asia to go Communist.

Avoidance of Soviet expansion seems probable if we can keep the countries of Southeast Asia tied in with our Government and the democracies. These countries of Southeast Asia have rich resources. China is more of a "deficit" country. We can trade with the countries of Southeast Asia profitably. Also the trade between Japan and those countries would soon help Japan to be self-supporting and a bulwark against Communism. If Japan has this trade she will not so vitally need trade with Communist China.

3. Formosa should be placed under the Allied Powers until a United Nations plebiscite can be arranged to permit the Formosans to choose between China, Japan, or independence. In that way Formosa need not be captured by the Communists and thereby

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come a logical future sally port for Soviet submarines and airplanes.

True, the problem is complicated. None of us knows all the facts and implications. But we base our belief upon our understanding of the general background, as follows:

The Russian use of the word "democracy" to describe their program causes confusion in Asia. Coupled with this, the serious defalcation of Chiang Kai-Shek in reverting to the ancient and most flagrant form of Kumsha, graft, and disregard for the rights of his people while America was aiding his Nationalist government, has strengthened the impression that America is leagued with corrupt non-democratic forces. This has hurt America's prestige and the cause of true freedom in China. Our aiding France, when she at this time is maintaining an old type colonial government in Indo China also makes it difficult for us to make friends of the people of Indo China.

It would be best for Formosa now to be returned to the control and governance of the Allied Powers, and for Chiang Kai-Shek to be removed from that area or given some proper Allied Powers' sanctuary not in Formosa. While the Allied Powers control Japan and while the Philippines are an independent nation requiring support from America, and while the countries of Southeast Asia are still non-communist, efforts should be maintained to prevent Red China from occupying Formosa. Formosa is in the middle of the Arc described by the non-communist nations referred to herein. Can it be anything but disadvantageous should Formosa be turned into a Soviet submarine and air base?

China is now Communist. Extrication of China from the Soviet sphere of influence and Empire will not be accomplished directly nor soon. This accomplishment will require much time and patience. The Chinese themselves may be expected to accomplish it in due time if the surrounding countries of Asia remain free and do not turn Communist, and if the Red Communist government of China is not given too much bolstering and aid. But if the countries of Southeast Asia go Communist, then with the vast resources of the countries of Southeast Asia, Russia will be quite able to pull down the Iron Curtain around this entire area and weld it all, including China, into a great portion of the Soviet Empire. China then will have slight hope ever to escape from the dictatorial control of Russia. The secret police and rule of fear, liquidations, propaganda, and "education", will in due time affect the Chinese people as they did the independent Kulaks or farming peasants of Russia. These Russians now have lost the will to revolt. It is naive and wishful thinking and not safe to expect the Chinese to work themselves out from under Communism and away from Soviet control if the countries surrounding China go Communist.

The countries of Southeast Asia are now the key to the whole future of Asia. May it not be a red herring across this trail to squabble over Red China now. The same could be asked about Formosa, except that it is not yet in Communists' hands and lies athwart the sealanes between Japan, the Philippines and Southeast Asia.

The stakes are so high that the democracies should not let Asia go Communist by default. The loss of China has been bad enough but time may cure this if Communism is not permitted to spread further. A Communist Asia would be fatal to the cause of democracy in Asia and thereafter in Western Europe also. With four-fifths of the World's population and the vast resources in Southeast Asia in the hands of the Communists, the Soviet Empire would dictate the World's future. For Communism - Soviet influence is antagonistic with freedom and democracy. America would be a permanent target. Our position would be very weak then.

Thus it is essential to take all practicable steps to keep the other countries of Southeast Asia from going Communist now.

Among these steps would seem to be such as the following (some of these have been referred to generally above):

1. Showing America's interest in the non-communist countries of Asia:
 - a. "Showing the Flag"; keeping our Navy with Carriers in a Task Force in the waters of Southeast Asia, and having our ships and planes appear along the Coast of Asia.

- b. Keeping the trade lanes open; stimulating vigorous trade between American and the countries of Southeast Asia, and the same with Japan and these countries. This trade can be profitable and permanent in contrast with trade with Communist China which is at the whim of hostile Communists.
- c. Increasing in large numbers the visits between businessmen and official of America and the countries of Southeast Asia. Letting these people become acquainted with and friends of the people of America.
- d. Delay recognition of Red China. To recognize this government will encourage the countries of Southeast Asia to go Communist. It is not safe to recognize the Red government of China at this time. Recognition of Red China by the United States is the greatest prize that the Communists of Asia could secure at this time. It would prove to be an insuperable weapon to use in spreading Communism further through that Continent.

2. Placing Formosa under control and governance of the Allied Powers and giving Chiang Kai-Shek sanctuary elsewhere and removing him from rule of Formosa. Although the arguments against giving Chiang Kai-Shek military aid and support in Formosa are forceful and probably will prevail, this cannot hold in the case of placing Formosa under the Allied Powers. The President on January 5, 1950, stated that our Government will not provide military aid and advice to Chinese forces on Formosa. There is a need to do something for Formosa, something that can be treated as part of our policy for preventing further spread of Communism throughout Asia, hoping that in due time Communism may spend itself in China and Soviet Russia may become revealed to the Chinese as a menace.

But to show no interest in Formosa is no way to prove to the countries of Southeast Asia that the United States can be relied upon to aid them if they take a stand against the Communists and Soviet Russia.

3. Nor is a desertion of Korea by the United States and other democracies at this time any aid in assuring the countries of Southeast Asia that America and the democracies will be of any reliable aid in time of trouble and in the "show-down" with Soviet Russia.

To abandon Southern Korea now would seem to prophesy Communist control of all Korea in the near future. Help is needed for a while longer. Russia is too closely behind the northern half of Korea. Southern Korea is too close to Japan. Communist control of Southern Korea would mean the liquidation of every official or person who has cooperated with the United States and resisted Communism in Korea. It would invoke no confidence among the officials and leaders in Southeast Asia upon whom the democracies are counting to stand against Soviet Russia and Communism.

If we hope to prevent the rich countries of Southeast Asia from becoming Communist and areas to be welded into a Soviet Empire, then we must assist those countries at this time of crisis; nor can we be guilty of deserting the yet non-communist countries of South Korea, Japan, Formosa, and the Philippines until a strong bond of mutual trade and friendship is established, enabling these countries to stand strongly against the seductive promises and infiltrations of the Communists.

This is the way it very clearly appears to me. I hope the foregoing statement of belief, although lengthy, may be found worthy of consideration by all persons responsible for the future of Asia in any way. Events are moving very rapidly these days. Great changes have occurred and still greater ones are in the making in Asia. The decisions and interest of America are of greatest importance. It is hoped that we shall set a proper and wise counsel and shall work toward peace and prosperity of a more permanent nature than any we have envisaged for many a decade.

Frank E. Midkiff

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