

TAIWAN


1. [REDACTED] As an exception to this statement, General Sun and General Kuo appears to be very excellent officers.
2. The Marine Corps under Major Carney is probably the furtherest developed as far as tactical and operational ability is concerned.
3. The Army appears to be made of hardened men but with poor equipment and little logistical support.
4. There is a high degree of morale, particularly in the Marines and Army. [REDACTED] although the cadets at the Naval School appear very capable and read English well.
5. In making of a formal report, the supply system of the Chinese should be emphasized. [REDACTED]
6. I tried to emphasize to Ma the absolute necessity of increasing his training program both from the scholastic point of view and with reference to his operational training.
7. He is desirous of sending a number of senior naval officers to the United States and I asked him to submit a program to Ambassador Rankin for submission to us.
8. Ambassador Rankin, General Chase, Captain Carroll, Carptain Jarrell, and General MacDonald appear to be excellent officers with an enthusiastic belief in the cause of Nationalist China and are doing a good job.
9. Major Carney expressed concern that the [REDACTED] with the Marine Corps in this country concerning the pricing of materials to be furnished the Chinese was not being adhered to and he, therefore, was left without a planning base not knowing how to utilize both his own funds and the funds made available to him for military purposes through other American support organizations.
10. The Generalissimo was interested in our making comments with reference to how to improve his forces. These I did not make except to emphasize to him the importance of the leadership of his forces. I complimented the Marine Crops and General Sun and deliberately withheld any comment about Admiral Ma. The Gimo did not ask for any specific comment.

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11. We also discussed briefly the matter of the diet of the armed forces which is deficient in meat and vegetables and with too much emphasis on rice.

12. The Gimo was also exceedingly interested in our views concerning the Philippines and Magsaysay.


13. He did not inquire of any additional hardware of ships for his country except to say that he was absolutely dependent upon us for support.



15. Ma and his assistants were very inquisitive as was the Foreign Minister concerning the two destroyers now in preparation for delivery to the Chinese and wanted to know, particularly, whether they were to be considered on a lend-lease basis or as a gift. We stated that they were to be considered on a five-year lend-lease basis. The documents sent by us to China apparently used the word "gift" and should be examined into as a matter of clearing up any area of possible misunderstanding.

16. Ma feels that the amount of money and materials made available to the Navy is disproportionate with that made available to the Army and Air Force.

17. The Chinese Air Force appears to be doing exceedingly well and the American advisers, Colonel Rector and Captain _____ were enthusiastic about the capabilities of their pilots and the maintenance crews. They expressed the feeling that a minimum of 75 or more jet pilots would be combat ready by early spring 1954 and were being used largely as the instructors for other pilots. The views of the Air Force officers concerning the abilities of the pilots was also shared by General Chase and Ambassador Rankin.



19. The Ambassador also feels that his staff and those of others in comparable positions are too large and should be reduced with emphasis on securing more qualified personnel. He would regard his own staff as a minimum of 23.

20. He believes that we have too many organizations operating loosely under Washington authorization with much too little correlation of activities and consolidation of responsibilities.

21. Our advisers believe that the budgetary process of the Chinese is improving but has a long way to go. They are urging the armed forces to adopt a comptrollership conception of accountability but have not succeeded in doing so.

22. The Chinese appear reasonably satisfied with their management of the Taiwan dollar but to me the management seems exceedingly poor when the official rate is 15 to 1 and everybody operates on a basis of 25 to 1 or better. General Sun says that the Army has to buy on black market prices.

23. Admiral Ma was exceedingly curious about my conversation with the Gimo and I did not reveal to him anything other than bare generalizations.

24. Both Carney, Chase, Rankin and Ma were upset about Admiral Carney's recent statements concerning additional destroyers and landing craft. Major Carney says that his father left the impression that the United States did not intend to support in offensive operations by China and that General Chase had come to him upset about the statement. He was assured in his own mind that his father simply meant that they were not ready for offensive operations but this was not the impression left. It might be advisable to have a direct letter sent from Carney to Chase.

25. General Chase and all others emphasized that they were at a serious disadvantage because they did not know well in advance the money that was going to be made available to them, although it had been appropriated. They pointed out that although six months had elapsed, they still did not know how to fund their 1954 program. This matter should be speeded up.