

Washington and Lee University

The Amerasia Affair and John Stewart Service:
Weighing the Evidence of History

Senior Honors Thesis in History

Matthew P. Brady

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Preface

Amerasia was a small, left-wing monthly magazine, now defunct, dedicated to the discussion of Asian political and cultural affairs. During the late 1930s and early 1940s, it was openly critical of the Chinese Nationalist government and laudatory of the Chinese Communists. Philip Jaffe, a co-editor, was outspokenly pro-Communist. Despite its small circulation (approximately 1700 copies per month) and political orientation, the magazine was well-known to Far Eastern experts. It was said that the current issue of Amerasia could be found on every desk within the State Department's Division of Far Eastern Affairs.

* * *

On June 6, 1945, Federal Bureau of Investigation (FBI) agents arrested John Stewart Service, Philip Jaffe, Mark Gayn, Kate Mitchell, Emmanuel Larsen, and Andrew Roth. Their arrests came after months of surveillance and several illegal entries into their homes and offices by Bureau agents. Federal investigators had established that Amerasia had obtained numerous copies of highly-classified government documents. The Justice Department charged the six with illegal possession of those documents and brought them before a grand jury, which refused to indict Service (unanimously), Mitchell, and Gayn. Jaffe pled guilty and was fined. Larsen, who pled nolo contendere, was also

fined. The charges against Roth were dropped.¹ These are the facts nearly everyone agrees with in this celebrated case known as the "Amerasia Affair."

Beyond these facts, numerous issues are much less clear. They fall into three principal categories. First, the prosecution and handling of the suspects; second, John Service's involvement with the magazine and other defendants; third, the objectivity of Service's reports from China found at Amerasia and their influence on American Far Eastern policy. Additional issues raised by commentators at the time and contemporary critics include:

- Was there a "fix" in the prosecution of the case?
- Was Service really guilty, and did he have permission to keep the documents he subsequently passed to Jaffe?
- What were Service's motives in passing the documents?
- What were the classification and national security importance of the documents?

And on a much larger scale:

- Did Service have Communist leanings?
- Did these documents undermine American policy in the Far East and assist in the "fall" of China?
- What was Service's impact on American Far Eastern policy?
- How objective and accurate were Service's reports portraying the incompetence and corruption of the Nationalist government?

The problem for the historian in trying to answer such questions is the lack of objective sources to draw on. Congressional investigations of the case provide some answers, but partisan politics taint their objectivity. Political

¹U.S. Senate, Committee on Foreign Relations, State Department Employee Loyalty Investigation [Report of the Committee on Foreign Relations Pursuant to S. Res. 231], S. Report 2108, 81st Congress, 2d session, 1950, 123-33. Hereafter cited as Tydings Report.

prejudices shaped press coverage of the case as well.

In recent years, the debate over the Amerasia case has centered on two men, Anthony Kubek, Professor of History at the University of Dallas, and Service himself. Kubek's Introduction to the Amerasia Papers: A Clue to the Catastrophe in China asserted that the prosecution was poorly, even unethically, handled; that Service had a central role in the case; that his reports on conditions in China were inaccurate; and that he used his position as a Far Eastern expert to boldly undermine American policy toward China during World War Two, thereby contributing to its "loss."² Service's rebuttal, The Amerasia Papers: Some Problems in the History of U.S.-China Relations, rejected these charges.³ Service claimed the Amerasia case was handled correctly, asserted his peripheral involvement with the magazine, declared he had almost no influence on American policy toward China during or after the war, and maintained that his reports were accurate and within the bounds of American policy.

Whatever the facts, the case did have a profound influence on American domestic politics in the Cold War, American relations with China, and Service's life. The discovery of government documents at Amerasia led to the charges that Communists had

²Anthony Kubek, Introduction to the Amerasia Papers: A Clue to the Catastrophe in China (Washington: Government Printing Office, 1970), 113.

³John S. Service, The Amerasia Papers: Some Problems in the History of U.S.-China Relations (Berkeley: University of California Press, 1970), 52.

infiltrated the State Department. Following the Chinese Communist victory in 1949, cries went up that these Communists had caused the "loss" of China. This, in turn, led the demagogues of the period, Joseph McCarthy at the forefront, to call vehemently for greater vigilance against the "Red plague." Diplomats and political reporters were subsequently removed from the Foreign Service for dispatches that were deemed too favorable to the Communists. The Truman Administration, under pressure to combat Communism at home and abroad, embarked on a foreign policy that required meeting the threat of Communism everywhere in the world, precluding normal relations with mainland China.

As for Service, the Amerasia case and "reasonable doubt as to his loyalty" resulted in his dismissal from the Foreign Service in 1951. Although eventually reinstated by the Supreme Court, his career was ruined. He retired from the State Department in 1962 at the same rank he held in 1948, despite being one of the Foreign Service's most highly commended officers. His State Department superiors had praised him for his reports' lucidity and accuracy during and after his stint in China. Involvement in the Amerasia affair, though, destroyed his promising career.

Chapter One

The Principals: John Stewart Service and Anthony Kubek

John Service was born in Chengtu in 1909, the eldest of four children of missionary parents then in China with the YMCA. He led a sheltered childhood. His parents, fearful of disease, allowed him few Chinese playmates. The family returned to the United States in 1915 and Service attended first grade. Back in China one year later, Service began his primary education at home. By age eleven, he was ready to enter high school. This meant the American School in Shanghai. There, Service's Chinese language skills, which had become quite good in Chengtu, deteriorated because most of his contacts were with English-speaking people. Despite this, he was still able to absorb many Chinese attitudes toward the world, such as patience and sensitivity towards others. He returned to the United States in 1924, finishing his high-school education in Berkeley, California at the age of fifteen. Believing himself too young for college, Service departed for China to spend two years as an apprentice in an architectural firm. He then left, alone, for Oberlin College in Ohio.¹

While at Oberlin, Service became enthralled with art history, staying on for a year of postgraduate work in the subject. He ran track and cross-country, captaining both teams his senior year. After graduation, he passed the Foreign Service

¹E.J. Kahn, The China Hands (New York: Viking Press, 1975), 60-63.

exam but was unable to gain an appointment. He returned to China and found a clerk's job in the United States consulate at Kunming. Two years later, he was commissioned a Foreign Service Officer and transferred to the consulate in Shanghai. His superior in Shanghai, Clarence E. Gauss, would later refer to Service as "outstanding. I don't know of any officer in my thirty-nine years of service who impressed me more favorably than Jack Service." He so impressed Gauss and several other American diplomats in China with his political reporting that he was transferred to the American Embassy in Chungking in 1941.

The United States' government knew little about the Chinese Communists at this time, so Service was assigned to gain as much information about them as possible. His task led to associations with all kinds of people in Chungking, from journalists and diplomats to Communists, relationships that Joseph McCarthy seized on in 1950. The next year, he was sent to Lanchow. While there, Service witnessed the effects on the population of a severe famine. The tragedy affected his appraisal of Chiang Kai-shek's ability to govern and provide for the Chinese people.²

Service returned to the United States in early 1943, spending approximately two months in Washington. Since he was one of the few people with firsthand knowledge of Chinese conditions, he was debriefed extensively and even spoke with Franklin Roosevelt's Assistant for Far Eastern Affairs, Lauchlin

²Ibid., 63-64 and 67.

Currie. Service resumed his duties in China in 1943, as consul. In November, he was assigned as a civilian advisor and political analyst to General Joseph Stilwell's China-Burma-India Command. Service's duties were loosely defined. Consequently, he reported his observations of conditions in China. In the meantime, relations between the Communists and Nationalists deteriorated.

The Japanese had launched a broad offensive in early 1944 aimed at knocking China out of the war. An American military mission was sent to Yen-an, the Communist base, in July 1944 to assess Communist military strength and conditions there. Service, who accompanied this group as a civilian observer, was very impressed with the Communists' economic, political, and social reforms, as well as their military strength. He advocated arming their troops to help in the war against Japan. After three months and numerous conversations with the Communist leaders, Service returned to Washington, at Stilwell's request, to relate his findings. The State Department, the Division of Far Eastern Affairs, Treasury Secretary Henry Morgenthau's top advisor Harry White, and FDR's advisor, Harry Hopkins, all had the opportunity to debrief him and draw on his intimate knowledge of Chinese conditions.³

While Service was in Washington, Patrick J. Hurley replaced Clarence Gauss as American Ambassador to China. Hurley, who believed that American policy in China consisted of sustaining

³Kubek, 103.

Chiang completely, saw any criticism of the Central Government as undermining this policy. Service, in the meantime, had returned to China and embarked on another mission to Yen-an in March 1945. His reports continued to criticize the Central Government's corruption and inefficiency, something Hurley would not stand for. He threatened to break Service, eventually managing to get him recalled from China in April 1945.⁴

Service returned to the United States, where he came in contact with many people interested in the Chinese situation. His involvement with two of these people, Philip Jaffe and Andrew Roth, led to his arrest in the Amerasia affair. After his exoneration before the grand jury, the State Department Loyalty-Security Board cleared him of any wrongdoing and tried to get him back to work in Japan. Hurley then resigned from his ambassadorship and charged that Foreign Service officers, especially Service, had undermined American policy and his mission to end the civil war in China. These accusations caused Service's recall to the United States. Cleared again, Service was sent to New Zealand in 1946. In 1948, he was promoted to a Class-Two officer, the youngest one in the Foreign Service. While in Wellington, the furor over the Amerasia affair continued to rage, with the State Department investigating and clearing him four times. A House Judiciary subcommittee, the Hobbs committee, also investigated allegations regarding a coverup of the case and

⁴John P. Davies, Dragon By the Tail (New York: W. W. Norton and Company, 1975), 402.

concluded that there had been no impropriety.⁵

In 1949, Service returned from New Zealand. He received a highly sought after position on the Foreign Service Selection Board. When the Scripps-Howard newspapers resurrected the Amerasia allegations against him, the State Department again cleared him. The furor refused to die, though, so the Department decided to get Service out of Washington, naming him consul general in Calcutta. Since this would have required Senate approval, the Department decided to name him consul instead. Still, Congressmen opposed his being placed in charge of a consulate. The Department finally decided to send him to New Delhi as counsellor.⁶ Before he could get to this post, though, Joseph McCarthy's allegations of Communists in the State Department caused Service to be recalled one more time to Washington, where he testified before the Tydings committee investigating McCarthy's charges.

Clearing him of wrongdoing, the committee did criticize his indiscretion in dealing with Jaffe. At the same time, it scathingly denounced McCarthy's partisan attacks. The State Department investigated and cleared Service yet again, but, in December 1951, the Civil Service Loyalty Review Board, acting well outside its powers, found reasonable doubt as to his loyalty. This board was was only supposed to review decisions,

⁵Kahn, 186-87.

⁶Ibid., 207.

not pass judgement on people or reopen the cases being scrutinized.

Secretary of State Dean Acheson immediately fired Service. but the diplomat refused to accept it. Service fought his dismissal, finally getting the Supreme Court to unanimously overturn it in 1957, because of improper procedures. He was returned to his former rank and sent to Liverpool, England as consul. Although eventually elevated to consul general, his responsibilities remained trivial and unchanged. Service retired from the Foreign Service in 1962.⁷

For many years preceding the publication of his Introduction to the Amerasia Papers, Professor Anthony Kubek had advanced the thesis that pro-Communist Foreign Service Officers had undermined Chiang and American policy in China. At present chairman of the Department of History at the University of Dallas, Kubek obtained his Ph.D. in American diplomatic history from Georgetown. In 1963, he published his most extensive study of the American "catastrophe" in China, How the Far East Was Lost: American Policy and the Creation of Communist China, 1941-1949. He was assisted by Robert Morris, head of the Senate's Internal Security Subcommittee, and Patrick J. Hurley, former Ambassador to China.⁸

⁷ Ibid., 222-23 and 272-73.

⁸ Kahn, 287.

Following publication of this work, Kubek served as an advisor to Morris' Internal Security Subcommittee. In 1969, it employed him to write the introduction to its own reexamination of the Amerasia case. This document was rushed into print in late 1969 to arouse support for Chiang while Richard Nixon was reopening talks with the Chinese Communists.⁹

Critics in both the United States and Taiwan acclaimed the Introduction to the Amerasia Papers as a masterful piece of scholarly research, clearly explicating the causes of the American betrayal of Chiang. The Committee of One Million Against the Admission of Communist China to the United Nations, more commonly known as The Committee or "China Lobby," printed portions of the work in pamphlet form.¹⁰ The Taiwanese hailed Kubek as a hero. He was invited there, where he met with Chiang himself. His visit received more publicity and media coverage in Taiwan than the Apollo XII astronauts, who were also there on a goodwill visit.¹¹

Other commentators were not so effusive. Lyman Van Slyke of the Stanford Center for East Asian Studies called it an "insult to scholarship." John K. Fairbank of Harvard considered asking the Ethics Committee of the American Historical

⁹"Eastland Issues Amerasia Report," New York Times, 15 February 1970, sec. 1, p. 5.

¹⁰Stanley D. Bachrack, The Committee of One Million (New York: Columbia University Press, 1976), 208.

¹¹Kahn, 288.

Association to examine the work, but held back because "it would have created the assumption that the man is a historian."¹²

Whatever the merits of his work, Kubek continued as a prominent member of the China Lobby. He served as an officer of the periodical China Report, a publication put out by The Committee. He was a member of the Council Against Communist Aggression, a group of China experts who protested against the American Foreign Service Association's honorary luncheon in 1973 for FSOs who served in China during 1944-45.¹³ With the admission of Communist China to the United Nations Security Council in 1972, the influence of the China Lobby declined. It was no longer popular to bash the American government over the Communist issue. While he is still teaching at the University of Dallas, little has been heard of Professor Kubek in recent years.

¹²Ibid., 288.

¹³Ibid., 306.

Chapter Two

A Case of Counterespionage

The sequence of events leading up to Service's arrest on June 6 actually began many months earlier.¹ In February, an Office of Strategic Services (OSS) analyst, while examining the January 26, 1945 issue of Amerasia, noticed an OSS article referring to the differences in American and British opinions toward Thailand. This article was reprinted almost verbatim from OSS files. The matter was referred to Frank B. Bielaski, Director of Investigation for the OSS. He decided against placing all people with access to the document under surveillance and, instead, went directly to the magazine to investigate the matter. On the night of March 11, Bielaski and five OSS agents entered its offices without permission. They discovered several hundred copies of government documents and extensive copying equipment. After examining more than 300 documents, Bielaski took twenty back to Washington as proof of the Amerasia's activities. The Justice Department did not know or assent to this illegal entry and search. The mission was justified by Bielaski as one of counterintelligence within the OSS in an attempt to discover how documents were getting to the press.

After returning to Washington with the documents, Bielaski brought the matter to the attention of General William J. Donovan, head of the OSS, and the Secretary of State. The

¹The information in this chapter is based on an FBI synopsis of the Amerasia case, printed in the Tydings Report, 123-33.

documents, and investigation of the case, were turned over to the Federal Bureau of Investigation (FBI). The FBI immediately began a full investigation of Amerasia, focusing on physical surveillance of its editors, Philip Jaffe and Kate Mitchell. This surveillance established that Jaffe was in close contact with Emmanuel Larsen, a China specialist in the State Department, and Andrew Roth, an Office of Naval Intelligence (ONI) lieutenant and Far East specialist. Jaffe also had several meetings with Service, recently returned from China. The four were observed together on several occasions examining documents, but since all were interested in Far Eastern affairs, and Jaffe and Roth were writing books at this time, the actions were not deemed unusual.

Jaffe was also in close contact with Mitchell and Mark Gayn, another Far Eastern specialist. Gayn on one occasion appeared to be reading a copy of an official government document, later determined to be a report on the gossip regarding Chiang's marital relations. The surveillance of all of these figures merely established their association. There was no observed theft or unauthorized removal of government documents, nor of any documents being passed to a foreign espionage agent.

The FBI's investigation verified the presence of numerous government documents and copies of documents in the Amerasia offices, as well as Larsen's and Gayn's homes. This determination was made through repeated illegal entries into the Amerasia offices (six times), Jaffe's apartment (twice), Larsen's apartment (once), and Gayn's flat (twice). Mitchell's apartment

was also entered, but no documents were found.

The Justice Department Criminal Division first became aware of the FBI's investigation on May 29. An internal memo set forth the investigation's salient facts and requested an immediate decision on prosecution. Although the Criminal Division was well aware of the problems the illegal entries presented for prosecution, the decision to file a complaint was made for two reasons: one, eighty percent of Federal law violators confess after arrest, and two, by confronting the suspects with evidence expected to be found on them in the course of arrest, admissions of guilt might be obtained.

Clearly, the Department was taking a risk in arresting the suspects under such pretenses, but other factors necessitated it. First, the arrests would put a stop to what the Department saw as potentially dangerous espionage activities. Second, it was hoped that admissions of guilt would be obtained. Third, there was the possibility that motions made to suppress any documents seized would not be made. The government filed a complaint on June 5 charging all six suspects with a conspiracy to remove and possess documents relating to national defense. They were arrested the following day.

The results were disappointing. No documents were found on Roth or Service or at their premises. Very few documents relating to national defense were found. The defendants refused to make confessions, and defense counsel indicated the suspects would contest the arrests and demand preliminary hearings with

the Criminal Division. These hearings would not have allowed the Department to properly analyze its evidence, so an immediate indictment against all six was sought. The government was still evaluating the handwriting and fingerprints on the documents in order to trace their sources. This procedure would take time. In addition, Larsen had discovered by June 11 that his apartment had been searched without a warrant and had informed his attorney.

The grand jury had just begun to meet in June when the some of the defendants requested a conference with the head of the Criminal Division. They offered to postpone a preliminary hearing in return for the meeting. After it, Mitchell, Service, Jaffe, and Gayn all asked to appear before the grand jury and waive immunity. The government agreed. This would allow the prosecution to ask any question without defense interference. In addition, the government would obtain the defendants' testimony, opening the way for a charge of perjury if any defendant made a false statement before the grand jury.

The government also stipulated that the defendants submit to a pre-grand jury examination. They assented, and the grand jury which had begun to hear evidence was dismissed. The prosecution needed additional time to finish its appraisal of the evidence and prepare a more deliberate case for the grand jury. During the government's preparation for the grand jury presentation, at which Jaffe failed to appear, it became clear that Jaffe and Larsen were the primary culprits in the case. The

government's presentation to the grand jury lasted from July 30 until August 7. Service, Mitchell, and Gayn testified, along with twenty-four government witnesses. On August 10, the grand jury returned indictments against Jaffe, Larsen, and Roth, charging them with conspiracy to embezzle and remove government documents. Mitchell, Gayn, and Service were not indicted.

The indictment returned against Jaffe, Roth, and Larsen charged them not with conspiracy to obtain documents relating to the national defense, as previously planned, but with conspiracy to embezzle official documents. The punishment for both offenses was identical. In 1946, the Hobbs subcommittee looked at the documents and determined that few of them related to national defense or the war effort. It said that many had already been given wide publicity, many were copies, the bulk were not of recent date and were innocuous in content, and the information contained in them would have already been known to those interested in it. They dealt with Far Eastern personalities and politics. In addition, they were never used in a manner harmful to the United States.

Unfortunately for the government, its case had been seriously compromised. On September 28, Larsen's defense attorney filed a motion to quash the indictment and suppress all evidence obtained in the illegal searches. This caused consternation in the Justice Department. It raised the possibility that Jaffe would also file a motion to suppress. If this happened, the government's case against all three men would

collapse. Justice Department attorneys called Jaffe and his counsel to arrange a possible plea bargain, which Jaffe had previously indicated he would consider. A deal was made in order to salvage the case. Jaffe agreed to plead guilty, and the Department assented, if permitted, to recommend only a stiff fine.

This was Friday, September 28. Criminal Division attorneys were anxious to have Jaffe's plea entered before he could reconsider. They learned that Judge James M. Proctor was holding court on Saturday morning and asked him to accept Jaffe's plea at that time. He agreed and also acquiesced to accept government recommendations for a sentence. Saturday morning, Jaffe pled guilty, the government recommended a substantial fine, and Judge Proctor imposed a fine of \$2,500, which was paid immediately. The Justice Department believed, all things considered, that the case had been disposed of in a satisfactory manner.

The government still had Larsen's and Roth's cases to deal with, especially Larsen's motion to suppress. Neither would enter pleas of guilty. Larsen's attorney indicated that he would not consider a deal until his motion had been ruled on. Finally, Larsen's attorney agreed to have him plead nolo contendere in return for the recommendation of a moderate fine. The prosecution agreed to this and recommended a fine of \$500, for several reasons. They believed Jaffe was the real culprit in the case, that he had corrupted Larsen, and that it would be unfair for Larsen to receive a greater punishment than Jaffe. Counsel

was also motivated by Larsen's unemployment and the family he had to support. The case against Roth was dropped for lack of evidence.

The handling of the Amerasia case was examined by a grand jury, the Hobbs subcommittee, and the Tydings subcommittee. In all cases, these bodies determined that there had been no irregularities in the investigation, prosecution, or disposal of the case. Although it seemed that the light punishments of those involved suggested otherwise, it must be remembered that many of the FBI's procedures and tactics were clearly illegal. As the Bureau itself pointed out in a memo for the Tydings committee, the decision to investigate and prosecute was made in order to stop the flow of documents and prevent any damage to American security. It was successful in this respect.

Chapter Three

"A Tragic Blunder:" The Kubek Version

Professor Kubek was very critical of the prosecution and disposition of the Amerasia case and its defendants. In his words, "the annals of American jurisprudence contain few examples of misused legalism as shocking as this."¹ He asserted that there must have been some sort of outside influence on the government prosecutors, since only two of the defendants received modest fines. In other words, there was a "fix." How else to explain the weak prosecution of a case that was described as "100% airtight" to Under Secretary of State Joseph C. Grew? To Kubek, it was an obvious case of espionage. Numerous highly-classified documents, from such governmental sources as the Office of Naval Intelligence, the War Department, and the State Department, were found at Amerasia's offices. Larsen's, Jaffe's, and Gayn's apartments were searched and many copies of government documents found. Gayn was observed reading stamped, classified government documents.² Jaffe, a known pro-Communist, had visited the Soviet Consulate and met with the head of the American Communist Party, Earl Browder.³ He had in his possession, at the time of arrest, eight copies of Service's reports from Yen-an, indicating Service's complicity in the case as well. Kubek had

¹Kubek, 52.

²Ibid., 41-42.

³Ibid., 32.

no doubt that this was a obvious case of espionage against the American government.

The prosecution of the case by the Criminal Division, Kubek charged, was a procession of inaccurate decisions, poor judgements, and unethical behavior, with the government's failure to use its illegally-obtained evidence a crucial mistake. Kubek based this assertion on a statement by Senator Homer Ferguson of Michigan, who in 1951 brought to light five cases where evidence obtained illegally could be used. Ferguson said the government gave up too soon, and if it had looked harder, the case could have been prosecuted properly. He also said the pre-trial deal between Jaffe and the prosecution was unethical.⁴ Kubek regarded James McInerney's characterizations that the documents were "innocuous" and "little above teacup gossip" as fatuous. How could documents so highly classified and containing the locations of Japanese naval units in 1944 be "innocuous"? Assistant Attorney General Robert M. Hitchcock himself believed the information in the documents would have helped the prosecution.⁵

Kubek disparaged the presentation of the case before Judge Proctor on September 29 as well. By failing to present Jaffe as a pro-Communist, he argued, the government lost an excellent opportunity to secure a harsher penalty for Jaffe. Kubek saw McInerney's explanation that the government did not want to

⁴Ibid., 60-61.

⁵Ibid., 59.

offend the Soviets, who were in San Francisco for the United Nations' Conference, as weak. Further, McInerney's rationalization that it would be highly prejudicial in a case involving illegal possession of government documents and would result in a mistrial, Kubek believed, were inaccurate.⁶ When the security of the nation is at stake, he asked, why worry about offending the Communists? As far as Kubek was concerned, the government's handling of the case was shoddy and unprofessional. In an espionage case with such ramifications for the nation's security, it should have been pursued to the end.

The next focus of Kubek's criticism was Service's role in the case. To Kubek, Service had a central part in passing documents and the possession of them by the magazine. In his words, Service's role was "paramount," given his authorship of so many documents. 115 copies of Service's documents were found at Amerasia's offices. Kubek printed 101 because they were by far the most vital. For Kubek, the magazine's influence on the thinking of Far Eastern scholars was tremendous. Although Service's documents were by far the most prominent and blatant, Kubek said he printed more than 200 other documents to show the full extent of Amerasia's violation of American security. This was not to diminish the importance of Service's reporting, though; in his reports, according to Kubek, the "fall" of China was not only anticipated but welcomed, influencing the thinking

⁶Ibid., 58-59.

of American policymakers and scholars.⁷

Kubek also believed that Service was a Communist sympathizer. After all, he was acquainted with Edgar Snow, Owen Lattimore (the man named by McCarthy as the "top Soviet agent" in the State Department), and Sun Yat-sen's widow, a pro-Communist. He associated with John Carter Vincent, another Chiang-basher. When Service returned to the United States in April 1945, he immediately contacted Gayn, his friend and another alleged pro-Communist. Service supposedly was upset about his recall from China and determined to influence American Far Eastern policy. He knew Jaffe was interested in information about China and ran an influential magazine that reported on the Far East. Service had obtained permission to keep the personal copies of his documents from Yen-an. He met with Jaffe on six occasions and admitted giving him, at one of these meetings, ten personal copies of background material to use.⁸

Service also arranged to furnish data from six other documents of interest to the Amerasia editors. One of these was dated May 25, 1945 and titled, "The Stilwell Affair." It was classified "top secret," clearly indicating the content of the documents Service was giving Jaffe. With no evidence to the contrary, Kubek assumed that, during these few meetings with

⁷Ibid., 70.

⁸Ibid., 38 and 110.

Jaffe, Service delivered many of the Amerasia documents.⁹ The FBI also obtained a taped conversation of Service speaking of "top-secret military plans" and then cautioning Jaffe not to reveal them. Despite his feelings, following an early meeting, that Jaffe was not entirely trustworthy, Service continued to meet with him, saying he would solicit Stilwell's opinion on whether American troops would land in China.¹⁰

Kubek dismissed Service's protestations of innocence. Service argued that he only furnished eight documents containing background material on Chinese political figures. He stated these documents were unclassified and from his personal files. He then raised the question of why he would give official files when he had his own personal files. Kubek countered by casting doubt on the number, content, and true ownership of the files, challenging whether Service was authorized to declassify the files. He brought in testimony from Otto Otepka, head of State Department internal security. Otepka claimed that Service had lied about passing unclassified government documents and that he had used the claim they were his personal files as a dodge.¹¹ Regarding the "secret military plans," Service argued that he did not remember the conversation and could not have given Jaffe

⁹ Ibid, 111.

¹⁰ Ibid., 39-40

¹¹ Ibid., 68.

military information because he was not privy to it.¹² To Kubek, a look at the Civil Service Loyalty Review Board's findings was ample proof of Service's complicity in the Amerasia case. The Board concluded that there was "reasonable doubt" as to Service's loyalty. Notwithstanding his reinstatement in 1957 on technical grounds, this finding was enough to convince Kubek of Service's guilt in the Amerasia affair.¹³

Kubek did realize some issues regarding Service's involvement in the Amerasia case were cloudy. One such element was the presence of a document from Service to John Carter Vincent dated June 6, 1945, the same day the FBI arrested Service. Kubek admitted that this document may never have been at Amerasia and may have come from Service's personal files, but stated that the date was of nominal importance. The actual number of Service's documents found was disputable. To Kubek, the fact that many of the documents found at Amerasia were from the early 1940s, and even one from 1936, was not important either. Those documents were probably the first ones to be taken from government files, indicating how long the magazine had access to classified documents. In Kubek's mind, what was important was that the pro-Communist magazine Amerasia furtively obtained classified government materials and that official American policy in China was subverted by a group of Foreign

¹²Ibid., 40.

¹³Ibid., 66-68.

Service Officers, John Service prominent among them.¹⁴

Service's alleged subversion of official United States' policy was the final focus of Kubek's Introduction. Kubek claimed that Service's dispatches from Yen-an and Chungking were biased. Despite prefaces testifying to their objectivity, these reports were part of an effort by Service to discredit the Chinese Nationalists and promote Mao Tse-Tung and the Chinese Communists. By criticizing Chiang and advocating assistance for the Communists, Service was, in Kubek's estimation, directly contravening American policy, as understood by United States Ambassador Patrick J. Hurley.

Service's glowing reports of conditions in Yen-an would not have offended Kubek so greatly if they had not had such a powerful influence on senior policymakers. In 1942, Service returned to Washington after a tour of duty in China. He was the first person to return to the United States with an intimate knowledge of Chinese conditions. Service spoke with people in the State Department and with members of the Division of Far Eastern Affairs. He was hailed as an expert on China. His view that the Chinese people were beginning to prefer Communism carried great weight. After his return to Chungking, Service continued to influence senior administration officials. His June 28, 1944 memo from Yen-an was passed all the way to FDR and earned him a commendation from State Department superiors in Washington.

¹⁴Ibid., 112.

This report chronicled the "high morale," "democracy," equality, and lack of pretension in the Communist base.¹⁵

Upon his return to Washington from Yen-an in December 1944, Service contacted more senior administration officials, including Harry Hopkins, Lauchlin Currie, and Dr. Harry White.¹⁶ After he was recalled for the last time in April 1945, he had numerous conversations with State Department personnel, journalists, and, of course, Philip Jaffe. Service was lionized as a China expert, Kubek asserted, so it must be assumed his reports had a profound impact on American policymakers.¹⁷

Professor Kubek next asserted that Service knowingly undermined American policy toward China by dispatching inaccurate reports praising the CCP and harshly criticizing Chiang's regime. To Kubek, the reports Service filed were opinions, tainted by a left-leaning ideology. Although Service's reports were the most important, he was not alone in his appraisals. John Davies, Stilwell, Edmund Clubb, and Vice-President Henry Wallace, among others, filed highly disparaging accounts of the Kuomintang, according to Kubek, because of their animosity toward Chiang and his government. The wide range of people criticizing Chiang indicated to Kubek the breadth of the Foreign Service conspiracy that undercut the Nationalists.

¹⁵ Ibid., 80 and 90.

¹⁶ Ibid., 103.

¹⁷ Ibid., 37-38.

Other American observers in China were far less critical of the Nationalist regime. General Albert C. Wedemeyer and Ambassador Hurley both thought these reports overestimated the CCP and were overly derogatory toward the Nationalists. In addition, they asserted that Service's reports undermined American policy toward China.¹⁸ Kubek agreed. He believed the number of Service reports found at Amerasia supported his viewpoint. As he saw it, and as Hurley and Wedemeyer understood, United States' policy toward China consisted of upholding Chiang and supporting the Nationalist government.

Service's reports did not do this, according to the critics.¹⁹ They portrayed the Nationalist government as corrupt, inefficient, and reactionary, while at the same time describing the Communists as democratic, progressive, and efficient. His reports highlighted the weakness and low morale of the KMT, declaring that Chiang's government was unresponsive to the needs of the Chinese people. In contrast, Service said, the CCP had democratic elements and was practicing political, social, and economic reform. He sent back to Washington everything he could gather that was favorable to the Communists and believed whatever the Communist leadership told him, reporting it to Washington. He chose to disbelieve the explanations of Nationalist officials and even went so far as to claim there was no Soviet influence in

¹⁸ Ibid., 102 and 109.

¹⁹ Ibid., 79.

the CCP. Service also attempted to destroy the credibility of anyone reporting unfavorably about the CCP.²⁰ Kubek saw these actions in direct opposition to American policy.

Far worse than these reports, Kubek stated, was his advocacy of a change in American policy. As a political reporter, he was not supposed to attempt to make policy. Nevertheless, Service did. He advocated the United States use economic and military aid to pressure Chiang into reform and maintain friendly relations with the CCP. Service also recommended military aid for the Communists and cooperation with the CCP as a lever to force Chiang to form a coalition government.²¹ To Kubek, these recommendations were very dangerous. The United States could only support one government in China, and Chiang was our ally.

Service's reports castigating Chiang's government and advocating a radical shift in American policy, along with his tremendous influence in Washington, undercut Chiang's position in China. The Communists would no longer compromise. Kubek believed Service did not understand this and was ignorant of the historical background of world Communist revolution.²² Although Service thought he was reporting correctly (in terms of what would be best for China), he was not putting the United States'

²⁰ Ibid., 99.

²¹ Ibid., 95.

²² Ibid., 83.

best interests first. As an American Foreign Service Officer, his primary responsibility was to promote American concerns. Service's efforts, in addition to the reports of others, led to diminishing American support for Chiang. Eventually, Chiang was abandoned, and the Communists took power in October 1949.

Kubek contended, in his conclusion, that if the Amerasia case had been prosecuted vigorously and the substance of Service's dispatches made public, then America would have continued to finance Chiang's struggles with the Communists after 1946. The American people would have been made aware of efforts to undermine Chiang and his government. The United States would not have abandoned him and would have recognized in time the danger of Communism. Chiang would have been supported, and the Communist threat to Asia stopped. Moreover, we would not have endured the postwar diplomatic debacles in Korea and Vietnam that have plagued us since the "fall" of China.²³

²³Ibid., 113.

Chapter Four

"A Systematic Attempt at Fraudulent Deception of the Reader": Service's Rebuttal

Naturally, Service took exception to Kubek's assertions and sought, in his Amerasia Papers, to dispute them. Service denied any cover-up or mishandling of the Amerasia case prosecution. He challenged Kubek's assertion that he had a major role in Amerasia's possession of government documents. Finally, Service asserted that he had no influence over American policy toward China, that his reports from China were accurate, and that he never undermined American Far Eastern policy. He then went on to explain just what our policy toward China was and why Hurley's mediation efforts failed.

In contrast to Kubek, Service asserted there was no mishandling or "fix" of the case. He based this belief, in part, on his own assertion of innocence. Most of his evidence, though, came from the FBI's synopsis of the Amerasia case and subsequent grand jury and congressional investigations. These bodies all concluded no mystery shrouded the case. It was prosecuted as well as possible under the circumstances. The Bureau concluded that all of its evidence had been obtained illegally and was inadmissible in a court of law, citing numerous legal precedents forbidding its use. Arrests were made in the hope that confessions would be made or that additional evidence would be obtained later. When the confessions and evidence were not forthcoming, the government's case was considerably weakened.

Under the circumstances, it was lucky to obtain the convictions it did. Hitchcock and McInerney testified before the Tydings committee that there was no fix, conclusions echoed by an independent grand jury, the Hobbs committee, and the Tydings committee.¹

Notwithstanding these legal problems, questions still arose over Service's guilt or innocence. The chief prosecutor in the case admitted the evidence against Service was thin and that prosecution was not warranted. The raid on Amerasia took place before Service even returned to the United States, indicating that he was not leaking documents. The Justice Department was ready to prosecute the case on April 18, one day before he even met Jaffe. In a grand jury presentation, only the prosecution's evidence is heard, and jurors vote to indict only if they have cause to believe a crime has been committed. During regular jury trials, both sides' evidence is heard and jurors can only convict if the defendant is guilty beyond a reasonable doubt. In addition, Service waived immunity, exposing himself to any questions. Still, not one person voted to indict him. To him, these facts buttressed his assertions of complete innocence in the case.²

Service next addressed Kubek's contention that he had a central role in the whole Amerasia affair. To Service, this

¹Service, 34.

²Ibid., 50.

allegation was false. His involvement was "peripheral." He regarded the inclusion of so many of his reports (101) in Kubek's Introduction as preposterous. There were only forty-one from other Foreign Service Officers. It is ridiculous to think that he was that much more prolific in his writing or that his reports were so much more significant.³

Service went through the documents and classified them according to where they were found following his arrest. Doing this, Service found that sixty-nine were his personal files that had been seized in his apartment after arrest, not in Amerasia's offices. Thirty-one more were from his personal files, but the material was at Amerasia in a different form. Fifteen had been found at the magazine. Document number 275, entitled "Chinese Communist Views in Regard to Sinkiang," was an excellent example. This document was actually found at Amerasia as an ozalid reproduction. It had State Department distribution symbols linking it to Larsen's Department section. Kubek decided to print a copy of this dispatch from Service's personal files, yet it was never near Amerasia. Contrary to what Kubek asserted, Service stated that the number of documents found at the magazine's offices was not disputable and was important.⁴

Furthermore, Service continued, the documents found at Amerasia were not in a form that possibly could have come from

³Ibid., 19-20.

⁴Ibid., 24.

him. His reports that were sent to Washington from the Embassy had his handwritten signature on them, indicating they were official dispatches. Personal copies he retained had only his initials on them. The documents found at Amerasia had his signature. In addition, a number of the documents had Larsen's prints and handwriting on them, all had been through his State Department section, and Larsen even admitted giving some documents to Jaffe. In fact, Service never even had access to a great many of the Amerasia papers; someone else prepared the transmitting report and then sent the whole dispatch to Washington.⁵

Moreover, Service criticized Kubek's inclusion of CCP doctrinaire materials in the Amerasia papers. Kubek claimed to be concerned with stolen government documents of diplomatic and military significance. By including these documents, he was attempting to prejudice his readers.⁶

Service also decried Kubek's assertion that the documents found had tremendous significance because they related to American security and Far Eastern policy. The documents were not of great diplomatic or military significance. Included in the documents found at Amerasia were CCP newspapers, Service's travel requests, incomplete memos, and many old documents, some dating

⁵Ibid., 22 and 32.

⁶Ibid., 24.

back to 1936.⁷

Service rejected, as well, Kubek's claims he gave Jaffe highly classified, official documents. Service stated that he lent Jaffe eight to ten personal copies of documents containing background material on Chinese political figures. Why, Service asked, should he give Jaffe official files when he had the same material in his own files? Furthermore, he never told Otepka that he lent eighteen documents. The documents lent carried no official classifications. Although Service had classified some of these, the classifications were his own. Even if the classifications had been official, the information in them had already appeared in the press. Service had permission to keep the documents. Moreover, in China it was common practice to give journalists background information. In 1945, Jaffe and Gayn were considered reputable journalists.⁸

Service broke no rules in giving information to Jaffe, although he did admit it was an indiscretion. As Service saw it, Kubek's account of his involvement with Amerasia used false evidence and exaggeration in order to defame him and paint a wholly inaccurate picture of his role in the case.⁹

Finally, Service confronted questions regarding his influence on American policy in China, the objectivity of his

⁷ Ibid., 25.

⁸ Ibid., 28-29.

⁹ Ibid., 51-52.

reporting, American policy itself, and Hurley's mediation efforts. Service provided an example to demonstrate how little influence he had over American policy. In 1944, Harry Hopkins asked Service whether Hurley might be a good appointment as ambassador to China. He replied that it would be a disaster. The appointment was made anyway.¹⁰ If his influence was so great, why was his recommendation ignored?

Kubek also asserted that not only did Service influence American policy, but he did it through inaccurate, subjective dispatches. Service showed that his dispatches were accurate and that most of his observations were supported by evidence. Service's conclusions attesting to the extent of CCP control in the countryside were supported by observers who had traveled with Communist forces in broad daylight and by the reports of downed American fliers who had been rescued by the Communists. His claims of increased military strength were in turn supported by the wide expanses controlled by the Communists. Without an appreciable military force, the Communists would not have been able to exercise control in the countryside.¹¹ Service's claims that the Communists had support throughout the population were also based on evidence. Success in a guerrilla war behind enemy lines requires support from all classes. The moderate reforms

¹⁰ Ibid., 77.

¹¹ Ibid., 146-48.

implemented by the Communists were gaining this backing.¹²

Service's reports attesting to the absence of Sino-Soviet cooperation were bolstered by Chinese history and Mao's long struggle with Soviet Communism. China, long exploited by foreign powers, did not want it to continue. The Communists opposed Soviet moves into Manchuria and Mongolia. Further, Mao had always opposed the Moscow-trained Marxists in the CCP, having been dominated by them in the 1930s. Just recently, Mao had implemented the **cheng-feng** (rectification) movement to make Party thinking more Chinese and less Soviet.¹³

Finally, Service's accounts of the CCP desire for cooperation with the United States were strengthened by his conversations with Mao and CCP assistance in rescuing downed American airmen and gathering intelligence about Japanese troops. The KMT's assistance was conspicuous in its absence.¹⁴ Service did admit that some of his reports may have contained inaccuracies, but only because they were written in haste in an effort to get the information to Washington. He asserted, however, that his basic assumptions were supported by facts and were not simply his subjective opinions.¹⁵

¹²Ibid., 154.

¹³Ibid., 178-80.

¹⁴Ibid., 177.

¹⁵Ibid., 139.

Service was not alone in his judgments. John P. Davies, another seasoned "China Hand," reached many of the same conclusions as Service. He saw the Communists as a strong, viable political force in China with great popular support. In his words, "The Communists are in China to stay. And China's destiny is not Chiang's but theirs."¹⁶ Raymond Ludden observed the Communists' military strength and area of control during a 1,200-mile trek with a CCP outfit.¹⁷ The Peabody Report, an unbiased War Department appraisal of the Communists, praised their morale and physical condition.¹⁸ These sources were reporting essentially the same facts as Service. Thereby, Service concluded, his reporting was accurate.

Service's next concern was American policy in China during and immediately after World War Two. Kubek and Hurley both asserted that our government's official policy was to sustain and totally support Chiang's government and contended that Service's reports criticizing the government undermined this. Service's conception of American policy was quite different, though. He believed, as did Stilwell, Marshall, and FDR, that Chiang was not vital to the war effort. American support for the Nationalist government was conditional. It was more important to the war

¹⁶United States Department of State, Foreign Relations of the United States, 1944, vol. 6, China (Washington: Government Printing Office, 1967), 670-71.

¹⁷Service, 145.

¹⁸Ibid., 148.

effort to use Chinese forces, whether Communist or Nationalist, in the most effective way and effect a rapid Japanese defeat.¹⁹ As China's role in the war diminished, FDR began to look less to Chiang and more to Soviet cooperation in the Far East as the basis for stability. What America wanted most of all was a strong, united country with a representative government made up of all the political elements in the country. Civil war was America's last wish. Such a conflict would result in economic destruction, delay Far Eastern stability, eliminate the country's moderate elements, waste American economic aid, and finally push the Chinese Communists into Soviet arms.²⁰

This policy was set forth numerous times. A May 1944 State Department memo asserted that the United States was not committed to Chiang in all circumstances and that we should work for what was best for the Chinese people. A January 29, 1945 memo from the Division of Far Eastern Affairs stated that long-term American policy was the establishment of a united, democratic government that could contribute to the stability of Asia.²¹ George Acheson's memo from Chungking to the State Department recommended a flexible policy toward China. Unconditional support for Chiang would bring only chaos and discord.²² Quite

¹⁹Ibid., 59-60.

²⁰Ibid., 69-70 and 164.

²¹Ibid., 104-5.

²²Ibid., 99, 104-5 and 109-12.

clearly, Service stated, American policy toward China was not unqualified support of Chiang. Support of Great Britain did not entail sustaining Churchill under all circumstances, so why should support of China entail maintaining Chiang?²³ Service saw his reporting in complete accord with United States' policy.

Hurley's mediation mission to China in 1945 did not fail because of the dispatches of Foreign Service Officers (FSOs) stationed there. Instead, Service declared, it failed because Hurley had no understanding of China and her affairs. He did not understand that the Communists and the Kuomintang were separated by wide differences of opinion. His misconceptions led him to believe the mediation effort would be simple, and when it was not, Hurley used the FSOs as his scapegoats.²⁴ No compromise was really possible. Both the KMT and CCP were out for their own gain.

Hurley's judgment was also affected by the trust he placed in the Soviet Union's Yalta concessions and his belief in the Soviets' influence over the Chinese Communists. Hurley believed a Soviet pact with Chiang was forthcoming and that the Russians would support the Nationalist government. This led him to conclude he could use Soviet backing, along with British support for a settlement, to pressure the CCP. Hurley hoped the Soviets would pressure the Chinese Communists into a settlement. He was

²³Ibid., 80-81.

²⁴Ibid., 82-85.

wrong. The Soviets exercised little influence over the Chinese.²⁵ Unfortunately, Hurley dismissed experienced American observers and put a clamp on political reporting that would have proven this. He enforced a blockade of Yen-an to prevent reports favorable to the CCP from getting out. The restrictions perpetuated false notions and cost the United States ten months of negotiating time when we might have been able to avert a civil war.²⁶

One reason Service advanced for Hurley's misinterpretation of American policy was the failure to rein him in and give him explicit policy directives. Roosevelt's attention was focused on the Pacific and European theaters. He wanted to put off dealing with China until after the war. When the time came, he believed that he could effect a settlement through personal diplomacy. As a result, no firm policy directives were sent to Hurley. Hurley sent the State Department a memo stating his understanding of American policy (that the United States was to sustain and support Chiang's government). A vague reply from the State Department urged flexibility in maintaining Chiang and the Nationalist government. Hurley said this refusal to correct his understanding of American policy indicated agreement. Service disagreed. There was no acceptance or agreement signalled. Instead, Hurley needed only to look at other directives sent to

²⁵Ibid., 86.

²⁶Ibid., 95 and 126-27.

him to get an understanding of American policy.²⁷

Kubek and Hurley made other serious charges against Service. Hurley charged Service with delivering a State Department policy statement to the Communists. This document, dated January 29, 1945, said the United States wanted a broadly representative government and that we should not favor any political faction. America needed to look to the desires of the Chinese people to see who their representatives would be. Hurley's proof for his accusation that Service passed on this document was that the Chinese Communists immediately began to move south at that time to extend their area of control. But Service disputed Hurley. He said he reported in August 1944 the Communist intention to move south in the beginning of 1945.²⁸

Kubek claimed, as well, that as a Foreign Service Officer, Service's job was to report, not to recommend policy. Secretary of State James Byrnes refuted this assertion during the Tydings committee hearings. In his testimony, Byrnes stated that Foreign Service Officers, when they see the need, must express their views to superiors. They are supposed to follow and support American policy, but when conditions change, FSOs must express their own opinions.

Finally, Kubek contended that since the reports were derogatory toward Chiang and the KMT, they undermined American

²⁷Ibid., 100-2.

²⁸Ibid., 107.

policy. He did not, however, confront the truth or falsity of the statements. As Service showed, a great many other reporters agreed with his criticisms of the Nationalist government.²⁹

Service's assertions lay in direct contradiction to Kubek's and Hurley's. He neither had a major involvement with Amerasia, nor was there was any prosecutorial misconduct. Further, Service asserted he had little impact on American Far Eastern policy, reported accurately, and supported United States' policy and Ambassador Hurley's mediation mission. Rather, it was Hurley and Kubek who had an incorrect view of American policy in China. Hurley's lack of understanding of Chinese domestic politics and history, not a clique of Foreign Service Officers, were responsible for his mission's failure. Perhaps, Service suggested, if the United States had attempted to understand what was happening in China, shed some of its illusions, and adopted a realistic Far Eastern policy, then Korea and Vietnam would not have occurred. Sino-American ping-pong matches would be normal occurrences and not world-shaking events.³⁰

²⁹ Ibid., 137.

³⁰ Ibid., 192.

Chapter Five

The Role of Partisan Politics

No sooner had the Amerasia affair apparently ended, than it became the topic of much debate and discussion. On the one hand were the critics. These people and parties believed that the Amerasia case had been poorly handled and that it was the key to a Communist conspiracy in the State Department. They also believed that Service had undermined American policy toward China. These views were espoused most prominently by Hurley, McCarthy, and the so-called China Lobby. Opposed to those convictions were those people who believed that the case had been handled properly, that no Communist conspiracy existed in the State Department, and that the parties attacking Service and the case's handling were simply doing so for political advantage. The Tydings committee, senior staff in the State Department, and segments of the media all held this view. As with any controversial issue, though, partisanship influenced how people viewed the case and its national significance.

Accusations began soon after the disposal of the Amerasia case. The China Lobby, a loosely-knit group of individuals supportive of Chiang's government, immediately seized on the case as evidence of Communist influence in the government. They maintained that the dispatches seized were so pro-Communist that the Foreign Service Officers responsible for them had to be Communists or Communist sympathizers. The documents' publication in the left-wing Amerasia was further evidence of Communists in

the State Department. Since this group's members wielded tremendous influence in Washington, no one ignored their accusations. Revelations in 1946 of a Communist spy ring in the Canadian government heightened fears and speculations about a Communist influence in our government.¹

In December 1945, Hurley came screeching on the scene. He accused Service, Davies, and the entire group of Foreign Service Officers in China of consciously undermining American policy in China. By reporting unfavorably about the Nationalist government, those diplomats hindered his mediation mission. They had given the Communists American reports critical of Chiang to encourage the CCP to reject any compromise. Further, Hurley believed in a conspiracy within the Foreign Service, of which Service and Davies were a part, that went out of its way to stall his mediation efforts. Service's clearance by the State Department Security Board and his reinstatement after the Amerasia revelations proved Hurley's assertions. Finally, government denial of access to documents that would have proved his declarations convinced Hurley a State Department conspiracy existed.²

In December 1945, Hurley testified before the Senate Foreign Relations committee and won national attention. The

¹Richard Fried, Men Against McCarthy (New York: Columbia University Press, 1976), 22.

²Don Lohbeck, Patrick J. Hurley (Chicago: Henry Regnery and Company, 1956), 420 and 442.

Senators, hearing his often contradictory and unsubstantiated testimony, seriously questioned his credibility and left the charges of leaks and disloyalty unanswered. When the Hobbs committee cleared the Justice Department of any wrongdoing in the Amerasia case, thereby casting doubt on the conspiracy theory, Hurley's charges became even more explosive. Speculation regarding Communist influence in the American government continued.³

This debate found new impetus in October 1946 when an article in the magazine Plain Talk charged that Service was a Communist and that the Amerasia case Justice Department had been guilty of a coverup. The article also claimed Communist sympathizers had infiltrated the State Department. It was purported to have been written by Emmanuel Larsen, one of the case's principal participants. Although Larsen later testified before the Tydings committee that Plain Talk's editors had extensively re-written the article, it was to have serious repercussions for years.⁴

One of these consequences was Senator Homer Ferguson's avowals that the prosecution should have used the illegally seized evidence and pursued the case more vigorously. He stated

³Russell Buhite, Patrick J. Hurley and American Foreign Policy (Ithaca: Cornell University Press, 1973), 272-73 and 277.

⁴United States Senate, Committee on Foreign Relations, State Department Employee Loyalty Investigation (Hearings of the Committee on Foreign Relations pursuant to S. Res. 231), 81st Congress, 2d session, 1950, 3 vols., 1120. Hereafter cited as Tydings Transcript.

five reasons why the evidence could be used, all backed by legal precedent: the tainted evidence rule does not apply where the prior illegal search involves recovery of stolen Government property; the arrests and seizures on June 6 did not rely exclusively upon evidence obtained in the illegal searches; the FBI and OSS raids were legal because they were protecting national security; Fourth Amendment protection applied to Amerasia, not the individuals involved; and the "tainted evidence rule" was not good law in this situation.⁵

Joseph McCarthy then joined in the assault. Using Larsen's article as the basis for his accusations, McCarthy stated that the Amerasia case was fixed; important documents had been found at Amerasia, even one referring to an "A-bomb;" Service was a Communist and had Communist associations; he was one of the "top dozen policymakers in the State Department;" and he had undermined Hurley's mediation mission.⁶ Although he did allow that Service might be innocent, McCarthy stated that he could never again be placed in a position of trust because of doubts about his loyalty.⁷ These assertions were all part of his claim that the State Department was infested with Communists and that these Communists were responsible for the loss of China. His accusations fueled even more speculation that Communists were

⁵W.F. Buckley and L. Brent Bozell, McCarthy and His Enemies (Chicago: Henry Regnery and Company, 1954), 177.

⁶Tydings Report, 74-76, 98, and 137-39,

⁷Buckley and Bozell, 281.

directing American foreign policy. The Amerasia case would not die for those who believed it was the key to a Communist conspiracy. When the Loyalty Review Board finally found "reasonable doubt" as to Service's loyalty, Hurley and McCarthy were vindicated, despite denunciation of their tactics.

One must understand the composition of the Board to appreciate its findings. At this time, the board was headed by Hiram Bingham, a conservative, right-wing former Republican senator. It was his belief that the success of the Review Board should be measured in the number of people it managed to dismiss from Government service, not the number of government employees investigated and cleared.⁸ It can be surmised that the unfavorable finding against Service was Bingham's implementation of this idea, a convenient way to find retribution for the "loss" of China, a scenario repeated two years later with John Carter Vincent.

The media was not immune from the Amerasia entanglements. The New Leader, a strident, anti-Communist journal, took the charges seriously. It lamented the case's "fix" and Acheson's refusal to turn his back on an obvious Soviet agent (Service). It claimed Service had brought influential people to his defense, so that may have been why the Government dropped the case. The Washington Times-Herald concurred. In June 1950, it called the Amerasia case and its prosecution "a scandal of major

⁸Gary May, China Scapegoat (Prospect Heights, Illinois: Waveland Press, 1979), 240.

proportions." The paper accused the Truman Administration of hiding the truth and charged the Tydings committee clearance of the case's handling was a "whitewash" that resulted from its interpretation of the facts to prove preconceived notions.⁹ Scripps-Howard newspapers also joined in the attacks. In a series of articles, Frederick Woltman decried the case's shoddy handling and asserted that the documents at Amerasia were of vital importance. He said that the Tydings committee investigation bottled up testimony in executive session and released what it wanted, in order to control public opinion.¹⁰

Arrayed against these formidable foes were Service's supporters and the parties who believed the case had been handled correctly. Service was exonerated by the Tydings committee, two separate grand juries, and eight Loyalty-Security investigations. Only the Civil Service Review Board found him to be a security risk. The government's prosecution of the case was found proper by an independent grand jury, the Hobbs committee, and the Tydings committee. Tydings' conclusions refuted all of McCarthy's claims and criticized them as a fraud, a hoax, and simply an effort to gain political advantage. Service received support from other areas, most notably the Foreign Service. George Kennan praised his reporting from Yen'an for its lucidity

⁹Earl Latham, The Communist Controversy in Washington (Cambridge: Harvard University Press, 1966), 287-96.

¹⁰Frederick Woltman, The Shocking Story of the Amerasia Case (Scripps-Howard Newspapers, 1950), 24-26, 29-30.

and completeness. Former Ambassador to China Clarence Gauss viewed him as an outstanding political reporter.¹¹

Media commentators came to Service's defense as well. Willard Shelton in The Nation called the uproar over the Amerasia case "a political and journalistic disgrace." The Washington Post labeled Service's activities in China "patriotic as well as meritorious," and added that since the case had already been examined by two grand juries and one Congressional committee, it should be dropped.¹² Eric Sevareid characterized Service as "a completely loyal American citizen."¹³ Despite this support from the media and all his official clearances, Service and the case continued to surface. The explosiveness of Hurley's and McCarthy's charges, associated with the perceived Communist threat to America during the Cold War, combined to keep the critics' indictments in the forefront of public debate.

Partisan politics was one of the primary motivations for the attacks against Service and the Truman Administration by Republicans and right-wing, conservative journalists. In 1949 and 1950 when the assault resumed, the Republicans had been out of power in the White House since 1932. They had regained control of the Senate in 1946, only to lose it, the House, and the Presidency in 1948. Hungry for more control over national

¹¹Tydings Transcript, 1261 and 1265.

¹²Latham, 285-86, 291-94.

¹³Kahn, 239.

affairs, they saw the Amerasia case and the fall of China as a convenient way they could attack the Democrats. In addition to McCarthy, Ferguson, and Hurley, Senator Pat McCarran joined in the hunt. He held extensive hearings in 1951-52 on the Institute of Pacific Relations, an organization widely believed to hold pro-Communist views. These hearings and McCarthy's continued vigilance against the "Red Menace" were designed to show the country that only the Republicans could save the nation and the free world from Communism.

Nor were Service's defenders merely motivated by genuine goodwill and moral outrage, either. They, too, had a political agenda. If the Republican attacks were successful, and they were in 1952, then Democratic leaders would lose their committee chairmanships and with them influence over the national agenda. They had to back the Truman Administration. The Tydings committee, though, performed a thorough, unbiased study of McCarthy's charges that traitors had infested the State Department.

Chapter Six

A "Final" Judgment Rendered ?

The evidence clearly indicates that no cover-up existed. None of the investigating bodies found any wrongdoing or laxness in the presentation of the government's case. So why all the furor and debate? This was primarily the result of two forces: China Lobby agitation and backlash from Larsen's Plain Talk article. The China Lobby believed that the loss of China began with the Yalta Agreement, the Amerasia affair, and Hurley's resignation. These three events undermined Chiang's position and led to the withdrawal of American support.¹ And despite Larsen's subsequent disavowal of his article, criticism and questions remained, charges in direct contradiction to any independent finding.

The FBI's own memorandum sent to the Tydings committee in 1951 presented an accurate synopsis of the case and problems in its prosecution. The illegal searches were the first problem. The Justice Department clearly set forth that information gleaned from illegal searches was inadmissible, notwithstanding Senator Ferguson's arguments to the contrary.² McInerney himself asserted that nowhere in the Constitution does it say that the Bill of Rights can be suspended in wartime.³

¹Bachrack, 29.

²Tydings Report, 133-36.

³Tydings Transcript, 1043.

McCarthy's first assertion, that the case had been fixed, arose out of his interpretation of the delay in the arrests that occurred at Secretary of the Navy James Forrestal's request. Forrestal was afraid that the revelation of a Communist spy ring and the ensuing public outcry, would embarrass the United States at the San Francisco United Nations conference. President Truman, though, immediately overrode the delay and demanded that the arrests take place.⁴ The State Department did not attempt to suppress the case. A Justice Department memo rejected McCarthy's claim that FBI chief J. Edgar Hoover had sent him a memorandum describing the case as "100% airtight."⁵ Further, McCarthy maintained that several members of the grand jury voted to indict Service. This declaration was clearly refuted by the record, which indicated Service was unanimously cleared. Hitchcock himself declared before the Tydings committee that Service had violated no law or State Department regulation by giving Jaffe his personal copies of the documents.⁶

Questions also arose over why only two defendants were prosecuted and given lenient punishments. Many thought the case was cut-and-dried. These people overlooked the problems encountered by the prosecution. The searches were clearly illegal, precluding the prosecution from using the evidence

⁴Ibid., 1056-57.

⁵Ibid., 1230.

⁶Ibid., p. 1007.

obtained in them. The Justice Department, well aware of this limitation, hoped to win confessions from the defendants. When these were not forthcoming, the prosecution was in a bind. The defendants' calls for a preliminary hearing would expose the Department's dearth of evidence and destroy the case.⁷

Mitchell, Service, and Gayn then offered to testify without immunity. The case was presented to the grand jury, and Jaffe, Roth, and Larsen were indicted. The others were not, indicating their innocence. As stated, subsequent investigations examining the prosecution's presentation of evidence showed no wrongdoing.⁸ The Justice Department protested the accusation that influential people had come to Service's defense and were responsible for his clearance, an accusation made by commentator J. Raymond Walsh and

⁷Tydings Report, 126.

⁸The findings of the grand jury, Tydings committee, and Hobbs committee investigating the presentation of evidence were disputed by Harvey Klehr in his article "Anatomy of a Fix; The Untold Story of the Amerasia Case." He stated that Tommy Corcoran, the Kuomintang's chief lobbyist in Washington, managed to ease Service's presentation before the grand jury to prevent the true picture about the Nationalist government from getting out.

Corcoran did this through two deals. First, he assured Service of a lenient prosecution if he would stay quiet. Klehr asserted that Corcoran knew of Service's active efforts to undermine American policy and would have dragged Service down if he had spoken too loudly. Second, Corcoran agreed to kill Senate opposition to Tom Clark's appointment as Attorney General if Clark would agree to a mild presentation for Service. Klehr stated he obtained this information from transcripts of Truman Administration wiretaps of Corcoran. He offered no documentation, though, so the reliability of this information is suspect. For more, see Harvey Klehr, "Anatomy of a Fix: The Untold Story of the Amerasia Case" New Republic 194(4) April 21, 1986, 18-20.

McCarthy. The FBI said no one had come to his aid. The Tydings committee concurred. It found no indication that outside influence had been exerted on the prosecutors to prevent full presentation of Service's case before the grand jury. Service did not receive assurances from Currie or anyone else that he would be cleared.⁹ On the contrary, Hitchcock himself decided after cross-examining Service that the evidence against him was very thin.¹⁰

Moving to the defendants' trial, critics wondered why the trial was held on a Saturday morning and why, in the course of the plea bargain, no reference was made to Jaffe's Communist connections. The Tydings committee found no impropriety in the Saturday morning court session. This was a normally-scheduled court. The prosecution decided to present its case at this time in order to forestall a move by Jaffe to quash the government's illegally-obtained evidence. If it had waited any longer, the prosecution believed Jaffe would have heard of Larsen's motion and filed his own.¹¹

⁹Tydings Transcript, 1249.

¹⁰Ibid., 973.

¹¹Jaffe denied this, maintaining his complete innocence in the matter. He saw his activities as normal journalistic investigation. He believed the only reason he was arrested was because his views were openly critical of Chiang and the Nationalist government. See Philip Jaffe, The Amerasia Case: 1945 to the Present (New York: Philip K. Jaffe, 1979), 24-25 and 38.

Before the defense and prosecution appeared before Judge Proctor that morning, the parties had already agreed that the government would recommend a fine, if asked, and Jaffe would plead guilty as charged. Furthermore, the government was precluded from portraying Jaffe as a Communist because the charges were for illegal possession of government documents, not espionage. Characterizing him as a Communist could prejudice the court and result in a mistrial. There were other considerations as well. The Communists were our allies; being a Communist was not as negative a label then; and the Bureau had no evidence that Jaffe was a Communist, only that he was sympathetic to the Chinese Communists.¹²

In addition, questions arose over why the charges were illegal possession of government documents and not espionage. As stated, few documents related to national defense and none affected our national security. It was much easier to prove illegal possession of government documents. No one passed documents to a foreign agent or suspected agent. Since the sentence for both crimes was the same, the government decided to prosecute a more easily proven charge. The government did not want to try the documents, just the defendants.¹³

The Tydings committee analyzed these documents and grouped them by classification and subject. The committee found that out

¹²Tydings Transcript, 1048-49.

¹³Ibid., 1043-44 and 1064.

of 1706 documents seized at the time of the Amerasia arrests, 637 were personal files and 1069 were copies of government documents or contained information from government sources. 208 were classified "confidential"; 153 "secret"; 119 "restricted"; 59 "strictly confidential"; one "very secret"; and 529 "unclassified." By subject, 438 were political observations and comments, 275 were publications, 120 dealt with economic issues, 119 were biographies, and 117 dealt with military or quasi-military information. The committee found that most documents were copies (with some dating back to 1936), innocuous in content, and contained already released information.¹⁴

The documents included plans for the Leyte Gulf operation, American submarine locations in 1942, and blueprints for the strategic bombing of Japan. Such outdated information could not harm national security. McCarthy incorrectly asserted that the OSS found a document referring to an "A-bomb." This was a term coined by the press after Hiroshima and Nagasaki.¹⁵ Despite the high classification on many of the documents' faces, the information contained within them was not sensitive.

Critics of the Amerasia investigation and outcome have insinuated that there may have been some impropriety on the part of Robert Hitchcock, one of the case's prosecutors and a top Justice Department attorney. Commentators have attempted to draw

¹⁴Tydings Report, 109-10.

¹⁵Robert Griffith, The Politics of Fear (Lexington, Kentucky: University of Kentucky Press, 1970), p. 96.

a connection between Kate Mitchell's clearance and his acceptance of a job with her uncle's law firm several months later. The implication was that Hitchcock orchestrated her presentation before the grand jury in return for the job. The Tydings committee and Hitchcock reacted strongly to this accusation. Hitchcock testified that he was approached several months after the case by a person from the firm with no knowledge of his involvement in the Amerasia case. He was an excellent litigator, the Department's best, and this made him especially suited for the job.¹⁶

It is apparent from this examination of the Amerasia case that the prosecution neither acted improperly nor attempted to "fix" the case. The most any of the examining bodies could criticize was the lax governmental security that had allowed the documents to make their way to Amerasia.¹⁷ The prosecution was saddled with tremendous difficulties and, under the circumstances, obtained the best punishments it could. After all, the main purpose in the arrests was to stop the flow of government documents, and, in this respect, it succeeded.

Closely related to the handling of the Amerasia case was Service's involvement with the magazine. The revelation that a State Department China expert was involved in a spy ring thrust the arrests onto center stage. It gave those people who believed

¹⁶Tydings Report, 140.

¹⁷Kahn, 187-88.

there was a Communist conspiracy within the State Department ample evidence for their argument. Eventually, constant scrutiny of the case, repeated investigations, and partisan prejudices caused the Civil Service Review Board to find "reasonable doubt" as to Service's loyalty. While he was definitely not a loyalty risk, certain aspects of his involvement do lead one to question his judgement and motives.

The first issues that need to be discussed are the number of documents Service lent, their classification, ownership, and national security importance, and Service's relationship to Amerasia and Jaffe. Service testified he only lent eight to ten documents. These documents consisted of background material on prominent Chinese political figures. That was his testimony to the FBI, the Loyalty Boards, the Tydings committee, and his rebuttal to Kubek. Because the FBI never observed him passing any documents, this statement can be taken at face value.¹⁸ The consistency of his testimony over twenty-five years, along with the intense pressure he was under in the early investigations, suggest he was testifying truthfully. Kubek's assertion that Service must have passed a great deal more from China is baseless. No evidence exists that Service had any contact with Jaffe or Amerasia before returning to the United States in April 1945.

¹⁸Tydings Report, 85-87.

How the documents made their way to Amerasia is clear. Larsen testified that he lent Jaffe approximately twenty copies of government documents and official government files.¹⁹ The evidence supports this, although Larsen's estimate is low. Many of the documents found at Amerasia had his fingerprints or handwriting on them, and many had been routed through his department. It is interesting to note that the flow of documents from the Office of Naval Intelligence stopped the day Larsen ceased working there (September 1, 1944). Andrew Roth continued to work there for several months, yet no more documents from ONI were found at Amerasia.²⁰

The inclusion of 101 Service documents in Kubek's Introduction is a blatant distortion. Sixty-nine documents were from Service's personal files. Document 275 is a good example of Kubek's duplicity in this regard. The copy found at Amerasia had Service's handwritten signature on it, indicating it was an official file. Yet Kubek chose to print Service's own personal copy of the file. Service could not have given Jaffe the official file because he never even had access to it. Instead, Kubek attempted to deceive and prejudice the reader by including Service's personal file among the documents seized at Amerasia. The reader is left to wonder how many other times Kubek distorted the evidence.

¹⁹Tydings Transcript, 1079-81.

²⁰Willard Shelton, "The Amerasia Case," Nation 170 (June 24, 1950), 614.

Service testified that the documents he lent Jaffe were not official government documents, but were personal files of his own dispatches. Taken in conjunction with his previous consistent testimony, it is reasonable to accept Service's word as true. In any case, the classifications on his reports were outdated and excessive. As Service stated before the Tydings committee, the information contained in them was already common knowledge.²¹ One of Kubek's examples of Service's alleged disloyalty, "The Stilwell Affair," will serve as an illustration of this point. This document, discussing the rift between Hurley and Stilwell, was prefaced by a statement that the information was "Eyes Only" and had been supplied by Service. Kubek seized on its presence at Amerasia as an example of the important information being supplied by Service. In reality, the information in it had already been printed by Brooks Atkinson in the New York Times. Service supplied the information, without notes, to Mark Gayn eight months after Stilwell's recall and ten months after the original dispatch had been sent. The document found at Amerasia was a summary of well-known information.²²

Some of the documents Service lent to Jaffe had also been declassified by Service. The media questioned this. Service said it was common practice to declassify outdated material, and Tydings found no impropriety in this. Nonetheless, Service's

²¹Tydings Report, 85-87.

²²Tydings Transcript, 1290-96.

detractors seized upon the high classifications on many of the Amerasia documents. The independent grand jury that examined the case determined that many of the "classified" documents had already been declassified.²³ Service testified FSOs commonly overclassified reports in order to get them noticed in Washington. It was done to safeguard the information from being divulged too soon, in order to protect the Foreign Service Officers' contacts in China.²⁴

Notwithstanding Service's explanation of the reports he gave Jaffe, the question of Service's guilt in the Amerasia affair remains. Undoubtedly, he did give Jaffe copies of his own unofficial reports; Service admitted this. But he was not guilty of removing or sending official government documents or copies of them to Jaffe. The OSS raid on Amerasia occurred on March 11, 1945, one day before Service returned from China. The FBI was ready to begin prosecution of Jaffe and the other Amerasia defendants on April 18, 1945, before Service even met Jaffe. Clearly, Service could not have been Amerasia's source of government documents. After Service had given Jaffe the eight to ten personal copies, Jaffe asked Service if he could get him some official files from the State Department. Service flatly refused.²⁵ Combined with Larsen's admission and the lack of

²³ Ibid., 1013.

²⁴ Ibid., 1302.

²⁵ Ibid., 1299.

evidence showing Service ever contacted Jaffe from Yenan, this forms a strong rebuttal to those people who declared Service was Amerasia's source of government documents.

The question must be raised of why Service became involved with Jaffe, whose pro-Communist leanings were well-known. According to Service, he became mixed up with Jaffe because he was the editor of a well-known magazine concentrating on Far Eastern affairs. Naturally, he spoke with Jaffe, who along with Gayn, were considered reputable journalists. He had no indication they were under surveillance or were pro-Communists. He had been out of the country for many years and was not aware of Amerasia's reputation.²⁶ He did attempt to ascertain Jaffe's reputation but, unfortunately, consulted with Roth and Larsen.²⁷

Service's intentions in meeting with Jaffe are subject to debate. As Service stated, he was only interested in giving a magazine specializing in Far Eastern affairs information that he had obtained in China. This, though, may have been self-serving.²⁸ Other commentators have surmised that his involvement

²⁶Tydings Report, 93.

²⁷Tydings Transcript, 1324 and 1412-13.

²⁸Jaffe believed quite differently. He characterized Service as the instigator in their relationship and said Service frequently came to his office without an appointment. He stated Service gave him several copies of documents even before sending them to the State Department. Service was convinced that the Communists were going to come to power in China, and he wanted to become American Ambassador there. Jaffe's assertions and commentary on the Amerasia case are quite different from conventional accounts and must be read with care. See Jaffe, 25-26.

with Amerasia resulted from his desire to inform people of the true Asian situation and effect a change in Sino-American policy. This is more plausible. Service was upset over Chinese developments and wanted the American government to adjust its policies in order to avoid a postwar foreign-policy fiasco. He saw continued unilateral support for Chiang as inimical to American and Chinese interests, as reflected in his Yen-an dispatches.

After being recalled from Yen-an, Service was no longer in a position to directly influence American policy. He turned to the press to educate the American public about true conditions in China. This cannot be considered disloyal, though. Service was doing what he considered was in the best interests of both the American and Chinese people. Unfortunately, he became emotional over what he perceived to be incorrect American policy and was willing to share information.²⁹ While not disloyal, this action was unwise, especially with a magazine he knew almost nothing about.

Service's involvement with the press was questionable. Upon his return from Yen-an, he was willing to talk to any interested party about the Far East, conversations with reporters that led to his involvement with Amerasia and his problems. Although Service did speak with people from Time and Newsweek, these were magazines whose reputations were well-established and

²⁹Paul G. Lauren, ed., The China Hands Legacy (Boulder, Colorado, Westview Press, 1987), 160.

well-known.³⁰ Amerasia's was not. Service took Andrew Roth's word that Jaffe and the magazine were perfectly legitimate. He never consulted the head of State Department internal security about its reputation, a serious error in judgment.³¹

Although imprudent, Service's actions did not break any State Department regulations. In China, Service had been given great leeway in speaking to journalists about political developments. It was customary to give them some classified information, as long it was not vital to national security or the war effort. When Service returned to the United States, he continued this behavior. He spoke to the press and gave them background material. America was not China, though. Fsos were allowed to disclose information in China in order to build contacts and gain Chinese officials' confidence. Although he broke no regulations with his actions, it demonstrated poor judgement to release information without prior clearance or background checks.

Even more serious than his meeting with Jaffe was a conversation Service had with him, obtained through an FBI bug in Jaffe's hotel room. This information was inadmissible in a court of law, but its contents were nonetheless disturbing. In it, Service mentioned "military plans" and told Jaffe to keep the information quiet because it was "very secret." When questioned

³⁰Tydings Transcript, 1325.

³¹Ibid., 1412-13.

in front of the Tydings committee about this conversation, Service could not recall it. He then stated that he could not have been speaking about secret military plans because he was not aware of any and not cleared for them. As a political reporter, his knowledge of the military situation was limited. He claimed to have probably been talking about plans for the United States Army to cooperate with Chinese Communist forces if the latter were in the area where the American troops landed. He had found out about these tentative proposals from Edgar Snow. Snow had spoken with Roosevelt, and FDR had indicated that the United States would cooperate militarily with both sides in China. Service said these were not really military plans. They were a political proposal for work with the Chinese Communists. By saying they were secret, he meant that what he was saying was not authoritative. It was customary to caution journalists that some information was only for background information and not publication. In the end, Service admitted he chose his words unwisely.³²

This explanation is not convincing. Why would Service speak of secret military plans when they were neither military nor secret? Why would he tell Jaffe not to print it if it was not important? Recalling what the conversation could have been about indicates he did remember having a conversation, not necessarily with Jaffe, about plans to cooperate with the Chinese

³²Ibid., 1407-17.

Communists. He had to know any plans going against official American policy needed to be kept secret. Leaking them would embarrass the American government and put Chiang in a tenuous position. The only conclusion is that Service was injudicious and acting on his passions, not rational thought.

At the core of Kubek's assertion that Service undermined American policy was his belief that Service had a major impact on Washington policymakers. Kubek based his assumption that Service had a major role in shaping American China policy on statements made during McCarthy's attacks on the diplomat. McCarthy stated that Service was "one of the top dozen policymakers in the State Department on Far Eastern policy." Because Service was seen as a China expert and had extensive experience in China, his views were assumed to have a great deal of influence in the State Department.³³ Service saw the situation differently. He was only one of many junior political reporters, not a policymaker. The recommendations he made carried no more influence than any others which emanated from China.

The Tydings committee came to a quite different conclusion than McCarthy. After examining Service's career in China, it determined that he did not have a major effect on American policy. He was only a junior member of Stilwell's staff and served as a political reporter, not a policymaker. His grade-four Foreign Service classification was not a policymaking

³³Buckley and Bozell, 149 and 259.

position.³⁴ Undoubtedly, Service's rank and observer status precluded his reports from having a great effect on American policy. It must also be remembered that all reports had to pass through the American Embassy, where judgements were made on their accuracy and importance before transmission. The Embassy wielded the real influence on American policy. Kubek was wrong to conclude that the dispatches included in his Introduction had a great impact on United States policy.

Service himself provided evidence to show that he was not a Far Eastern policymaker. When he was finally recalled to the United States in March 1945, he had spent only sixty-two days in America during the previous four years. Such a short time in Washington would hinder any efforts to influence policy matters. He simply filed his observations; his superiors in Washington made policy. Recommendations he made while in Washington were not heeded. Hurley was appointed Ambassador to China despite Service's warnings that it would be a disaster.³⁵ Service's suggestions that the United States cooperate with and arm Chinese Communist military forces were ignored. The American government continued to grant its sole recognition to Chiang's Nationalist government, while working to avert civil war. It was not until General George C. Marshall recounted his own observations of Chinese conditions that American policy changed from active

³⁴ Tydings Report, 77.

³⁵ Service, 77.

support of the Kuomintang.

Service did make recommendations on policy, though. His detractors seized on his proposal to arm the Communists as an indication that he was involved in policymaking and exceeding his responsibilities. Secretary of State Byrnes denied this accusation. He stated that Foreign Service Officers, when they see the need and when conditions arise, are allowed to make policy recommendations. He lamented the day when FSOs would fail to do this and simply report their observations.³⁶

A paradox exists in the argument that Service had major influence on American policy in the Far East. His detractors claimed he was an expert on China with intimate knowledge of Chinese conditions. This gave his dispatches added weight. Why, then, if Service was such a China expert, do his critics claim that he reported inaccurately? McCarthy, Hurley, and others claimed that his reporting from Yen-an was inaccurate, subjective, and even colored by pro-Communist sympathies. They believed he either did not see the true, Marxist nature of the Chinese Communists or refused to report it because he was a Communist sympathizer. But if he really was the expert his critics claimed, then Service would have recognized the Chinese Communists' true nature and reported it. As Service's supporters and the record point out, his dispatches were no different from what other people were sending back from China.

³⁶Tydings Transcript, 1266.

The primary criticism of Service's dispatches was that they portrayed Chiang and the Nationalist government in an unfavorable light and were therefore inaccurate. This was the logic espoused by Hurley and McCarthy. But what these two men failed to consider was that his reports emanating from Yen-an might actually have been accurate. Service was not alone in his praise for the CCP and criticism of the KMT. Davies, Snow, O. Edmund Clubb, Stilwell, Gauss, and military observers with the Dixie Mission were reporting similarly: the KMT's brutality, corruption, and repression, and the CCP's progressive program. Kubek himself lent credence to Service's account of conditions in China. In his Introduction, Kubek listed many members of the United States mission to China who were reporting the same facts as Service. Vice-Consul Minton R. Rutherford (Kunming), Consul Arthur R. Ringwalt (Kweilin), Second Secretary J.K. Penfield (Chengtu), Consul-General William Langdon (Kunming), and John P. Davies (Chungking) all reported the weaknesses of the Nationalist government.³⁷

Testimony to the accuracy of Service's reporting on the strength of the Chinese Communist armies and the weakness of the Nationalist forces came from numerous other sources. The Peabody Report, a War Department appraisal of the Chinese Communist movement, characterized the Communist Army as "a young, well-fed, well-clothed, battle-hardened, volunteer force in excellent

³⁷Kubek, 73-74.

physical condition, with a high level of general intelligence, and very high morale."³⁸ Raymond Ludden, who completed a 1,200-mile journey with Communist forces, attested to their control in the Northeast.³⁹ Everett Drumright, an Embassy observer, noted that the "Communist troops suffer greatly from lack of medicines and military equipment but they are well-fed, well-led, and well-disciplined."⁴⁰ Even the press was effusive in its praise. Secretary of State Cordell Hull, in a memo to Ambassador Gauss, reported that "the New York Times, New York Herald-Tribune, and Christian Science Monitor praised the Communists' industrial and agricultural achievements, and applauded the fighting spirit and military achievements of Communist troops."⁴¹ Gunther Stein, speaking of the Communist army, stated that "any Allied commander would be proud to command these tough, well-fed, hardened troops."⁴²

Further confirmation of Service's accuracy came from David Barrett, a member of the American mission to Yen-an, in his book, The Dixie Mission. Barrett stated that while in Yen-an he was impressed with the lack of police, hospitality and quality of the

³⁸Service, 148-49.

³⁹Ibid., 145.

⁴⁰Foreign Relations of the United States, 1944, 338.

⁴¹Ibid., 479.

⁴²Ibid., 480.

soldiers, and civilian support the Red Army received.⁴³ Finally, Service's praise of the Communist army was borne out by their eventual victory in China. The CCP had fewer men, arms, and supplies, yet triumphed. They were a tough, disciplined, organized force.

This was in marked contrast to the Nationalist forces. Marshal Feng Yu-hsiang, a member of the Chinese National Military Council, declared to Ambassador Gauss:

Condition of Chinese armies is such that they cannot fight effectively unless drastic change is brought about.... a rotten system which has given rise to corruption and lazy living by higher ranks while the soldiers starve to death.⁴⁴

Second Secretary of the Embassy Edward E. Rice, in a memo to Hurley in December 1944, wrote of the Nationalist forces: "Conscripts are ill-treated and are given little or no training....Guerrilla units practice extortion....The military...have aroused hostility and opposition."⁴⁵ The Nationalist forces had greatly superior arms, numbers, and foreign aid, but corruption and poor discipline undermined their fighting strength. For a strong China to form the basis of Far Eastern stability in the postwar era, the Nationalist government's graft, lack of organization, and poor leadership

⁴³David Barrett, Dixie Mission: The US Army Observer Group in Yen-an, 1944 (Berkeley: University of California Press, 1970), 82 and 85.

⁴⁴Foreign Relations of the United States, 1944, 95.

⁴⁵Ibid., 210-11.

would have to be remedied. This was essentially what Service was reporting. It must be concluded that his dispatches did paint an accurate picture of the Nationalist army.

One reason for the criticism of Service's reporting was the belief that it was tainted by pro-Communism. Service himself denied any associations or predilections toward Communism in his testimony before the Tydings committee. In a prepared statement, Service declared that he believed in individual rights, democracy, and God. These are inimical to Communism. Service also stated that he never filed an untrue report or sought to undermine American policy.⁴⁶ George Kennan, the Department's foremost expert on Communism, characterized Service's reporting as first-rate and said the level of thoughtfulness and flexibility in his reports was inconsistent with a closed mind or specific ideological bent.⁴⁷ He stated that Service's memos were objective and free from any political predilection.⁴⁸

To support their belief Service was pro-Communist, critics attempted to draw connections between the diplomat and a number of suspected Communists. The supposed Communists included the journalists Duncan Lee, Agnes Smedley, Haldore Hanson, Edgar Snow, Duncan Stein, and Harold Isaacs. Service said he knew them only through his press contacts. More importantly, he continued,

⁴⁶Tydings Transcript, 1450-51.

⁴⁷Tydings Report, 77.

⁴⁸Tydings Transcript, 1265.

none of them were ever proven to be Communists.⁴⁹ Still, accusations continued to arise that he was pro-Communist, because of his flattering reports.

Despite allegations to the contrary, Service was cognizant of the Marxist, Soviet orientation of the Chinese Communists.⁵⁰ He reported that Soviet officials were in Yen-an, that the Chinese Communists were Marxists, and that any belief that the Soviets were going to support the KMT was erroneous. Although the Chinese Communists were averse to Soviet moves into Manchuria and Mongolia, they still obtained moral and physical support from Moscow. Service likened them to Tito and the Yugoslav Communist movement. Kennan supported his observations that the Chinese Communists were Marxists who wandered from the Moscow line.⁵¹ Furthermore, Soviet officials denied they would ever cooperate with Chiang's government. Service was reporting what he saw to be true in 1944 and 1945. And State Department experts agreed. He was unscrupulously attacked six years after these reports were written because they went against what the American public wanted to hear about the Chinese Communists.

It is interesting to note that Hurley, the person most critical of Service's reporting, actually agreed with him, and at some times even surpassed Service, in his characterizations of

⁴⁹Ibid., 1378 and 1384-85.

⁵⁰Ibid., 1440.

⁵¹Ibid., 1333-36.

the Chinese Communists. Hurley stated that the Chinese Communists were not real Communists; they were democrats. He also said the Russians did not recognize the Chinese Communists and would cooperate with the Kuomintang. Service never went this far in his observations. Although he recognized that the Chinese form of Communism was different from the Soviet form (more nationalist, less ideological), he never went so far as to deny the connection between Moscow and Yenan. In fact, Service pointed out that the Chinese Communists were using democratic principles -- equality, voting for candidates -- to accrue popular support and power. As the Tydings committee observed, Hurley's characterizations of the CCP could be used to show that he was disloyal and pro-Communist. He was not, of course, which showed the fallacy of using one's reports as evidence of pro-Communism.⁵²

The critics who did not subscribe to the thesis that Service was a pro-Communist held to the view that his reports were inaccurate for another reason. This view, put forth by General Albert C. Wedemeyer, affirmed Service's loyalty and patriotism, but said that he was taken in by the Communists and their propaganda. Service failed to recognize the revolutionary history and ideology of the Chinese Communist movement and was fooled by statements made by Communist leaders. As proof, Wedemeyer's adherents pointed toward China's history as a rigidly

⁵²Tydings Report, 80-81.

Marxist state since the Revolution.

On the other hand, if Service was susceptible to being duped, Wedemeyer and his staff were no less immune than Service. Wedemeyer referred to Davies, Service, Ludden, and John Emerson, who were about to join General George C. Marshall's staff in January 1946, as:

intelligent, straightforward Americans in all their relationships with headquarters. They did criticize the Central Government and they did report favorably at times on their observations at Yen-an. But I never received the impression as did Hurley that they were attempting to undermine our policies. ⁵³ I interpreted their approach as an attempt to be objective.

General McClure, Wedemeyer's chief of staff, and Colonel David Barrett both reported favorably about the Chinese Communists. Wedemeyer considered these men to be loyal and their judgments sound. Yet their comments were identical to Service's: criticism of the National Government and praise for conditions in the Communist-held areas.

Wedemeyer later attempted to explain his way out of this contradiction by saying it was obvious Service's false reports were designed to split the United States from China. ⁵⁴ Yet this still does not explain his or his staff's statements. If Service was inaccurate, so were Wedemeyer and his staff. But Wedemeyer

⁵³ Albert C. Wedemeyer to George C. Marshall, 24 January 1946, Box 124, Folder 8, George C. Marshall Papers, George C. Marshall Research Library, Lexington, Virginia [Hereafter referred to as GCM Papers].

⁵⁴ Albert C. Wedemeyer, Wedemeyer Reports! (New York: Henry Holt and Company, 1958), 306 and 313.

considered his staff to be reliable, so it must be assumed that Service's dispatches were credible as well. Barrett, too, later revised his views of the Communists, saying he was taken in by their openness and hospitality. He based this recantation on his knowledge of the Communist system and China's status as an American enemy in 1970-71.⁵⁵

Much of the criticism of Service's reports stemmed, just as with Barrett, from hindsight. McCarthy and Wedemeyer both attacked Service in the 1950s, a time when China was America's mortal enemy. They asserted Service should have been able to discern the truth about Communism. Robert Morris, chief counsel for the Tydings committee, also touched on this. He said that Service, as a Far Eastern expert and political reporter, was supposed to be able to recognize political nuances. Why, then, was he unable to comprehend that the Chinese Communists were Marxists following the Soviet line, as we have come to recognize since the end of the war?⁵⁶

This was where Service's supporters came to his defense. Secretary of State Byrnes, in his Tydings testimony, stated that Foreign Service Officers are to express their views truthfully when a situation requires it, even though the observations may go against what people want to hear. He said the State Department would never get a realistic appraisal of a situation if political

⁵⁵Barrett, 44, 54-55 and 82-85.

⁵⁶Tydings Transcript, 1384.

reporters had to worry about how these opinions and commentaries would be viewed years down the road. Tydings agreed. To penalize an FSO five years after reports that were probably true when written, but which have become objectionable since, would destroy the Foreign Service.⁵⁷ Service did recognize and report the political nuances and orientations of the CCP, in some cases more accurately than his critics.

Kubek's, Hurley's, and McCarthy's final attacks against Service consisted of the accusations that he undermined American policy in the Far East and subverted Hurley's mediation mission. When the mission failed, he attacked Service and others for having actively sabotaged American policy and his mission. McCarthy renewed this accusation in 1950, and Kubek picked up on it in his Introduction. The truth to their assertions will be examined.

What policies were Hurley and Service following? According to Hurley, it was to support and uphold Chiang and his Nationalist government. He came to this conclusion through his understanding that the United States needed Chiang and China to defeat Japan. His impression of American policy was confirmed when a memorandum he sent to Washington stating these views was answered with a noncommittal reply to support Chiang's government but maintain a flexible approach to China in case conditions changed. Hurley read this to mean unilateral, unconditional

⁵⁷Tydings Report, 78-79.

support for Chiang.⁵⁸

Service saw American policy in a different light. He believed, first, that American policy was to use all available Chinese resources to help bring about Japan's defeat. Second, the United States was to work to establish a strong, representative, democratic government in postwar China. This strong government would contribute to the stability and prosperity of the entire Far East.⁵⁹

Early in 1943, Service began to doubt the wisdom of a strong American alliance with Chiang. An increasingly repressive, corrupt Nationalist government, finding itself unable to control the economic crisis enveloping the nation, was alienating China's moderate elements. As a result, the Communists were gaining popular support. The United States could neither ignore these developments, nor intervene militarily to destroy the Communists, who were too strong. Either path would drive the Communists into Moscow's arms. Both Service and Davies proposed that the United States adopt a flexible policy in China. The two believed America should no longer unconditionally support Chiang.⁶⁰

By using pressure to get Chiang to reform government practices and allow Communist participation in the government,

⁵⁸Service, 100-2.

⁵⁹Ibid., 104-05.

⁶⁰Michael Schaller, *The United States Crusade in China, 1938-45* (New York: Columbia University Press, 1979), 116-17.

Service and Davies hoped the Nationalists would gain strength and popular support. This would avert civil war and help the United States stay out of China's internal affairs. It would also show the Communists that the United States was not an enemy, thereby keeping them from strengthening their ties to Moscow. Civil war was the last thing the United States wanted. It would delay China's economic recovery, eliminate moderate political parties, waste both Chinese and American resources, and push the Communists further into Moscow's arms. By following Service's recommendations, the United States would build up a strong, stable Chinese government friendly to America, as well as enhancing America's position as a mediator.⁶¹ Service's recommendations were in line with what his perception of American policy. If they were inaccurate, why, then, did he continue to rise in rank and earn commendations from the State Department?

So just what was American policy at this time? The most comprehensive and authoritative document addressing this question was put out in 1949 by the State Department. Known as The China White Paper, it was the Truman Administration's answer to why we "lost" China. This massive work attempted to trace the history of Sino-American relations, explain American policy toward China, and show the problems the United States had in the region.

During World War Two, American policy was to support the idea of a united and powerful China as a bulwark versus Japan.

⁶¹Ibid., 140-42 and 156-57.

The State Department hoped this strong government would remain pro-American. One thing the United States would not do, however, was force a Western form of government on the Chinese people; they had to take responsibility for their own political system. The American government attempted to get Chiang to reform his government, but he would not. In addition, the Communists were unwilling to enter any agreement where they were not guaranteed the right to exist and function. By 1944-45, the situation in China was a stalemate, with tensions between the Kuomintang and Communists steadily growing.⁶²

When World War II ended, the United States was faced with three possible courses of action in China: total withdrawal, unilateral military intervention in favor of Chiang's forces, or continued mediation to avoid civil war. America's long history in China precluded the first option. The enormous military commitment to Chiang that would have been necessary, and its uncertain returns, precluded using the second. America was left with the third alternative, letting the Chinese people decide their form of government. The United States could attempt to mediate, but ultimately the Chinese people were responsible for their own destiny. Marshall's trip to China in December 1945 to help negotiate an end to the civil war was unsuccessful. Upon his return to the United States in January 1947, he concluded

⁶²United States Department of State, United States Relations with China, with Special Reference to the Period 1944-49 (Stanford, California: Stanford University Press, 1967), iv-vii. Hereafter referred to as The China White Paper.

that China herself was responsible for finding a solution to the civil strife. From then on, there would be no concerted American effort to bring the parties together.⁶³

Less extensive, but nonetheless revealing, was the policy directive Marshall received before his departure for China in December 1945. This document was approved by Truman and the Secretary of State and stated that "a strong, peaceful, united and effective China is of the utmost importance." It urged, first, "a cessation of hostilities be arranged between the armies of the National Government and the Chinese Communists," and second, "a national conference of representatives of major political elements be arranged to develop an early solution." The mandate continued: "United States support will not extend to U.S. military intervention having as its objective the resolution of any Chinese internal strife," and stated finally: "peace, unity, and democratic reform in China will be furthered if the basis of government is broadened to include other political elements in the country."⁶⁴

These documents set forth the same salient points of American Far Eastern policy. America wanted Chiang to reform his government to make it more representative. We would support him, but only as long as he was supported by the majority of the Chinese population. Under no circumstances would we become

⁶³Ibid., x-xi and 17-18.

⁶⁴State-War-Navy Coordinating Committee, "United States Policy Towards China," 12 December 1945, Box 124, Folder 28, GCM Papers.

involved militarily in China's internal affairs. It is evident from the White Paper and Marshall's directive that American policy in China was not to uphold Chiang absolutely. Only if Chiang reformed his government would America continue its support.

Following his resignation as Ambassador to China, Hurley leveled his charges against Service. It has been shown, though, that Service was not the only FSO or observer making observations critical of Chiang's government. Many people who were in China observed the CCP's progressive programs and the KMT's corrupt, inefficient, unresponsive government. Simply filing these reports does not mean Service undermined American policy or Hurley. It means he was summarizing what he saw. Hurley's accusations also assumed that Service had great influence on American policy. As a grade-four political reporter, Service did not make policy or persuade his superiors in Washington to change it.

Hurley also charged that Service disobeyed orders, especially the prohibition against travelling to Yen-an in 1945. First of all, for Service to have undermined Hurley, he would have had to have been under Hurley's command, which he was not. Service was attached to the United States Army mission in China as a political reporter, first under Stilwell and then Wedemeyer. He received permission from Wedemeyer's headquarters to make a second visit to Yen-an in 1945 in order to be present for the Sixth Communist Party Congress, the first Party Conference in ten

years. Service went in spite of a Hurley directive forbidding missions to Yen-an. Hurley had restricted travel in order to stifle favorable reports emanating from the Communist base area, accounts he felt were undermining Chiang's government. Service's superiors did not believe he was interfering with Hurley's mission; indeed, Byrnes stated there was never anything to suggest Service was disloyal. He continued to receive commendations from the Department.⁶⁵

A much more serious accusation directed by Hurley and repeated by McCarthy declared that Service passed reports to the Chinese Communist leaders in order to encourage their intransigence in negotiations to end the civil war. One specific memorandum cited was report number fifty-eight (58) from Yen-an. This anti-Chiang report appeared in Larsen's Plain Talk article as proof of a State Department conspiracy. McCarthy attributed this article to Service, but it was actually from the American consul in Kunming, more than 600 miles away from Yen-an. Service could not have sent this memo.⁶⁶ Simply because they criticized Chiang does not mean the FSOs were working to bring him down. Rather, they were trying to further American interests in the region.

Why, then, did Hurley attack Service so violently? Service's reports from Yen-an had been commended by the State

⁶⁵Tydings Report, 79.

⁶⁶Tydings Transcript, 1276.

Department, Clarence Gauss, and George Kennan for their objectivity and accuracy.⁶⁷ Service was one of the most accomplished young Foreign Service Officers. His promotions and efficiency ratings were well above average.⁶⁸ Yet Hurley accused him of undermining American policy, being a Communist sympathizer, and being disloyal.⁶⁹ One possible explanation for Hurley's accusations was advanced by General Wedemeyer. According to him, Hurley failed to see the Chinese Communists' Soviet orientation and failed to revise his estimate of the political situation. When his mediation mission finally floundered, Hurley attempted to shift the blame elsewhere. He attacked Service and Davies for undermining him, when actually he was to blame for the failure.⁷⁰

Hurley's mission failed for three primary reasons. The first two were his own fault. Hurley placed too much credence in the Soviet promises made at Yalta to support Chiang's government. Hurley believed he could use the Russian commitment to the Nationalist government to pressure the Chinese Communists into a settlement to end the civil war. This, of course, was totally inconsistent with Hurley's belief that the Chinese were independent from Moscow, but he believed it nonetheless.

⁶⁷Tydings Report, 78.

⁶⁸Tydings Transcript, 1008.

⁶⁹Buhite, 190.

⁷⁰Wedemeyer, 311.

The second reason for Hurley's failure was his lack of knowledge about the Chinese political situation. He did not realize that the CCP and KMT were mutually suspicious of each other. They had different visions of China's future. Both wanted the same thing, power, and were unwilling to share it. Marshall recognized this in 1946, but Hurley could not see the facts and attempted to create an American solution to the war. That could never work in China.⁷¹

The final reason Hurley failed was not his fault. It was the result of the total unwillingness of both the Communists and Chiang to compromise. Neither side would budge enough from its position to produce a settlement. James R. Shepley, an Embassy attache assigned to Marshall's China mission, reported to Truman that Marshall had observed much tension and distrust between the Chinese Communist and Kuomintang armies. He did not anticipate much change in this situation. It was a stalemate with neither side seemingly strong enough to defeat the other.⁷²

⁷¹Service, 82-83 and 85.

⁷²James R. Shepley to Harry S. Truman, 28 February 1946, Box 124, Folder 29, GCM Papers.

Chapter Seven

Conclusion

No "fix" or mishandling flawed the Amerasia case's prosecution. Service's involvement with the journal was negligible, and he was not a major culprit in its obtaining government files and copies of files. He was not a pro-Communist, and his only pro-Communist associations were the Chinese Communist officials he met in China. He did not have a major effect on American Far Eastern Policy, did not work to undermine Hurley's mission, and did not contribute to the "loss" of China. He reported what he saw to be true in 1944-45, observations that were corroborated by other American reporters.

These are the facts. They have been distorted over the years. Partisanship was one cause. The Republican Party, in the late 1940s and early 1950s, was anxious to wrest control of the Presidency from the Democrats. The Amerasia case and suspicions of Communists within our government provided a ready-made issue to support their attack against the Truman Administration.

Cold War hysteria distorted the issues as well. With the introduction of the Truman Doctrine, the United States was committed to stridently opposing Communist expansion throughout the world. This meant anyone even remotely sympathetic to the Communist cause came under suspicion. It also meant that we could not establish normal relations with the People's Republic of China. The era's tension, with the threat of war with the Soviet Union, provided ample opportunity for unscrupulous rabble

rousers to gain their place in the public spotlight by playing on the Communist threat.

Patrick J. Hurley and Joseph McCarthy were two such people. Both seized on the Amerasia case and used it to advance Republican and China Lobby interests. In the end, though, their credibility was seriously questioned and their reputations tarnished. But their influence lived on. The ghosts of McCarthy and his anti-Communist crusade hovered over the Eisenhower, Kennedy, and Johnson Administrations. All were forced to stand firm against "the Communist monolith" and resist the nationalist movements that sprang up in the Third World under the Marxist mantle.

Albert Wedemeyer's reliability as a critic is questionable. It seems he changed his opinion of the Communists in accord with the direction of the political winds. During the war, while we were allied with the Soviet Union, Wedemeyer had very favorable impressions of the Chinese Communists and the Soviets. Likewise, he viewed Service's reporting as objective and accurate. But when the conservative backlash against suspected pro-Communists reached its height, Wedemeyer changed his tune. He claimed that he and his staff members had realistically assessed the CCP when actually they had not. He contended it was Service who had been duped into making inaccurate reports.

General George C. Marshall, Wedemeyer's superior, felt strongly about Wedemeyer's shifts in opinion and suddenly strident anti-Communism. Discussing Wedemeyer's testimony before

the Senate Foreign Relations committee following Douglas MacArthur's recall from Korea, Marshall stated, in his biographer's words:

Wedemeyer is a good man, but he developed an obsession about the Russians until he isn't rational on the subject. Got into politics.¹

These comments indicate that Marshall, a man who knew Wedemeyer very well, recognized in the 1950s that Wedemeyer's criticism of the FSOs in China and strident anti-Communism were his reactions to political necessity, and not his original, objective views.

Service was a well-respected member of the Foreign Service. His reports, while in China, were praised for their accuracy and objectivity by Gauss, Kennan, and Byrnes. The State Department officially commended one of his reports. By the age of thirty-nine, he was the youngest class-two officer in the Foreign Service, equivalent in rank to a military Brigadier General. His quick rise in rank contradicts assertions he was reporting inaccurately, working to undermine America's position in China, and performing inadequately.

Kubek's Introduction was a model of how not to write a scholarly work. It contained numerous contradictions. For instance, Kubek claimed to have printed over one hundred of Service's dispatches because of their alleged vital significance.

¹Interview between George C. Marshall and Forrest C. Pogue, Leesburg, Virginia, 5 October 1956.

But then Kubek stated that many other reports from Foreign Service Officers in China were important as well because of their source and content. Either Service's were the most vital, or ones from other FSOs were. Kubek also assumed that because so many of Service's reports were found at Amerasia, they must have been delivered during the few meetings between Service and Kubek. This contravened two previous statements. First, that Service delivered ten documents at his meetings with Jaffe.² Service either gave him ten or 100-odd. Second, that the dates of the documents were insignificant because they had been the first ones to be pilfered. Either Service had given them to Jaffe at their meetings or they had been removed from government files long before. He said Service's reports were the most blatant, but then recounted a list of other American officials who were reporting favorably about the CCP. Kubek also ignored Larsen's testimony in front of the Tydings committee, where Larsen admitted giving Jaffe twenty copies of Service's dispatches.

There were distortions as well. Kubek printed documents from Service's personal files. He totally ignored the July 1950 Loyalty Security Board hearing (appended to the Tydings Transcript), which established that only forty-one of Service's papers had been found at Amerasia. His interpretation of American policy was based on Hurley's statements and not on the available record. He printed a memo from Service to Vincent

²Kubek, p. 38.

dated the day of the Amerasia arrests. He ignored the Tydings findings, which established that many of the Amerasia documents originated in Larsen's department.

Kubek's assumptions were shaky, too. He presumed that because Service was reporting favorably toward the CCP, he was wrong. He based this on hindsight and tense Sino-American relations in the 1950s and 1960s. He did not recognize that, during the war, America was working to win the war and was allied with the Soviet Union. He does not even allow for the possibility that Service may have been correct, despite the many other favorable accounts of the Chinese Communists. Kubek assumed that Service must have been in contact with Jaffe from China for Jaffe to have obtained so many of Service's files, a totally unsupported conclusion.

Kubek's work was also prejudiced by political beliefs. Kubek was very much a part of the China Lobby. He wrote the document to satisfy the needs of the Internal Security subcommittee and to frustrate Richard Nixon's tentative moves to establish relations with mainland China. Kubek did not even consult State Department records to ascertain what American policy was in that era. He simply related Hurley's and McCarthy's interpretations and gave the subcommittee what it wanted: a diatribe against American policymakers for not standing firm against Red China. Indeed, he only has a single reference to the Foreign Relations of the United States series in his entire Introduction.

Kubek left several other questions unanswered. He failed to explain why, if Service was reporting so inaccurately, so many other people were reporting essentially the same facts (such as Hurley, Wedemeyer, Stilwell, and Gauss)? He left untouched the issue of how Service could have a greater influence on American policy than Davies, Stilwell, and Vice-President Wallace, all older and more experienced public servants. It is clear that Kubek skewed the facts in order to justify his notions about who was to blame for the "loss" of China. No Americans were responsible for the loss of China; it was never ours to lose. Service could not have influenced the course of events in a nation of seven hundred million people. Chiang and his unresponsiveness to Chinese needs were the root causes of the Communist victory in 1949.

Kubek's charges against Service were not based on a thoughtful examination of the record. Kubek took what Hurley said at face value. He did not explore the correspondence to or from Hurley or any State Department directives. This was not scholarly research. Service's rebuttal used State Department records and policy directives. Perhaps if Kubek had been more conscientious in his research, then his work would have been based not on what one man said, but what the record contained.

Service was self-serving in his rebuttal, although he was more justified. His work was a refutation of Kubek's charges. Yet there were questionable aspects of The Amerasia Papers as well. Service failed to explain his "secret military plans"

conversation with Jaffe. He was entirely too defensive, proclaiming his complete innocence in the matter. Despite these failings, his book rested on much better research and scholarship. It addressed the Amerasia case, as well as American policy in China. He consulted the State Department's Foreign Relations of the United States volumes, in marked contrast to Kubek. His rebuttal was a conscientious examination of the historical facts, despite its failure to address just what went on in his private meetings with Jaffe.

Although many of my conclusions mirror those of the Tydings committee, I do not agree with all its judgments. I concur with the finding that Service was not a loyalty risk. In all of his dispatches from China, Service was looking out for American interests. He believed that if the United States continued its unilateral support and recognition of Chiang, it would harm American interests. Chiang headed a repressive, corrupt government that did not have the support of a large segment of the Chinese population. Continuing to support him would engender dislike and distrust of the United States.

Therefore, America needed to recognize and extend aid to the Communists. The United States needed to keep its options open and not interfere with Chinese internal affairs. This would allow America to have friendly relations with whichever regime emerged dominant in the postwar era. After being recalled to the United States, Service continued this crusade. He felt the American public needed to be informed of the true situation in

China. This led him to speak with any and all journalists who approached him, including, unfortunately, Philip Jaffe. But in none of these actions was he acting disloyally. He was simply pursuing what he felt were America's best interests.

Problems arise, though, over Service's dealings with Jaffe. Service was so emotional over the course of American Far Eastern policy and so determined to change it that he was willing to deal with **anyone** who was interested in the Far East. He got in touch with Jaffe and gave him background material. As a State Department official, he should have consulted with someone in charge of security before speaking with Jaffe and ascertained Jaffe's journalistic reputation. Service's justification -- that he was accustomed to such freedom in China -- was a weak excuse. He knew as well as anyone that China and America were different places where different rules applied. The delivery of his personal files, even those containing only background material, should have been approved by his superiors.

The discussion of "secret military plans," and Service's cautionary statement on the plans, were a serious impropriety on his part. It is obvious he **was** speaking of something important. His excuse that he spoke unwisely and did not remember the conversation is questionable. What the facts suggest is that John Service, although not legally guilty of violating any law or State Department regulation, did constitute a security risk with this conversation. He was not acting disloyally but was behaving in an indiscreet manner, behavior that could have eventually

harmed American security. Who knows what other people he might have spoken to and what else he might have revealed? Who knows what Jaffe may have revealed to American Communist Party chief Earl Browder, and to whom Browder may have relayed it? Under no circumstances should an American diplomat reveal important information to a person not cleared for it without prior permission.

One cannot say that, because the Soviets were our allies, it did not matter that Service revealed information to a pro-Communist with ties to the American Communist Party chief. By April and May 1945, U.S.-Soviet relations were already beginning to chill. Military information on American intentions in China could seriously affect how the Soviets acted in the Far East. In that sense, Service's actions could have compromised American security. Moreover, the American government did not, nor does it now, share all intelligence with even our closest allies. There were facts we kept from the British in World War Two, and their political system is very similar to ours. It is absurd to think the American government would want to share vital information with a nation whose political system was our antithesis and with whom we were allied only out of military expediency.

In a strictly legal sense, Service was innocent. He broke no formal State Department regulations. No evidence was amassed against him through legal means. He was never seen or heard to be endangering American security. In a practical sense, however, he was a security risk. He dealt in an improper manner with a

journalist of questionable reputation. He failed to adequately explain his possible revelation of important American military plans.

This, though, does not justify his dismissal from the Foreign Service in 1951. The Civil Service Loyalty Review Board was passing judgment six years after Service had committed his indiscretion. American policy toward China had been decided while he was serving in New Zealand. In addition, he was one of the most knowledgeable and highly commended China Hands. The conclusions reached by the Review Board were an attempt by vindictive China Lobby members to find a scapegoat for the "loss" of China, just as they did with John Carter Vincent. Acheson's removal of Service was a political move designed to appease Administration critics.

Undoubtedly, Service was guilty of an indiscretion, but not one warranting dismissal. A more appropriate punishment would have been a forceful reprimand and warning to never engage in such activities again. This would have enabled the State Department to retain Service's immense knowledge of Chinese culture, politics, and personalities. He could have cultivated his friendships in the People's Republic and been able to take a role in the formulation of American Far Eastern policy, possibly helping smooth Sino-American relations through the 1950s and 1960s. Perhaps, if this had occurred, then the American government would have pursued a foreign policy more cognizant of the nationalist impulses of the Third World and would not have

overemphasized their Communist ideology. Perhaps, then, the United States would have pursued a more intelligent foreign policy and not fallen into the quagmire of Vietnam. Just as the Chinese Revolution had been nationalist first and then communist, the desire to throw off French and American imperialism motivated the Vietnamese revolt.

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