TOP STORET

August 14, 1958

MEMORANDUM OF CONFERENCE WITH THE PRESIDENT August 14, 1958 - following NSC

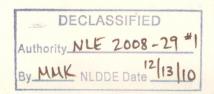
Others present:

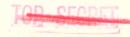
The Vice President, Secretary Anderson, Secretary McElroy, Deputy Secretary Quarles, General Twining, Mr. Allen Dulles, Under Secretary Herter, Mr. Gerard Smith, Governor Hoegh, Mr. Gordon Gray, Mr. James Lay, General Goodpaster

Mr. Gray put forward three questions for consideration in connection with the Taiwan situation. The first is what to do if the Chinese Communists attempt to blockade the offshore islands and starve them out. The second is as to our response in case the Chinese Communists conduct an attack on the offshore islands; he recalled that the Formosa Resolution left to the President the determination as to whether such an attack would constitute an attack on Taiwan. He also commented that today any action on our part would have to include the use of atomic weapons against the mainland. The third question is whether we should let it be known, either publicly or through diplomatic channels, what our action would be in case of these eventualities.

General Twining reported the views of the JCS. He said they felthat if the Chinese Nationalists can handle a blockade we should go to their help. Also, if the Chinese Communists attack the offshore islands, we should help the Chinese Nationalists, this help including small atomic weapons. On the final point, he said the Chiefs considered that we should "keep them guessing," not clarifying what action we would take.

The President said there is no military reason for the Chinese Nationalists to hold the offshore islands, just as there is no military advantage that the Chinese Communists would gain from them from an attack on Taiwan. However, we have to take our decision not on the basis of our military evaluation, but on an evaluation of the







moralefactor. He understood that Secretary Dulles was inclined to think that we should make a statement as to what we would do. Mr. Herter said information reaching him is clear that Chiang will put everything he has into saving the islands.

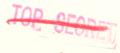


The Vice President asked whether, to attack the offshore islands, the Chinese Communists would also have to attack the air bases on General Twining said the Chiefs consider that they would do so, although the President took the view that such attacks would probably not be necessary. Mr. Herter then raised the question as to what action on the part of U. S. forces would be required were we to intervene; he said he understood the JCS believed that we would have to attack the bases on the mainland. The President said we should not be drawn into spreading out the area of conflict, and thereby probably bringing the USSR in to render support to its principal ally, thus leading to general war. We must try to define fixed limits to the action. Mr. Herter then said that George Yeh has sent a proposed statement which is very general in tone, and has much to commend it, simply indicating that such an attack by the Chinese Communists would be a major threat to the peace in the area.

In response to a question, General Twining said the JCS believe that if we were to drop atomic weapons on a few of their air bases the Communist bloc would not drop atomic weapons in Formosa. Mr. Quarles said that General Bowen, Chief of the MAAG in Taiwan, had stressed the danger of blockade of the offshore islands. To prevent such a blockade would require that additional amounts and types of equipment be given to the Chinese Nationalists. President said he thought we are seeing what is at least in part a war of nerves; if we do not react to the steps they are taking, they will probably continue to go further. The Vice President thought that George Yeh's proposal has a good deal of merit. He thought that a statement along these lines by the President, in answer to a query at a press conference, would be effective. The President also suggested for consideration making a great play of this matter in the United Nations, since the U N still recognizes the Chinese Nationalists as the lawful government in the area.

In response to a further question, General Twining said that the Chiefs did not expect atomic retaliation if we attacked the two or





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three airfields nearest the coast with atomic weapons. Mr. Allen Dulles said that the next development will probably be attack by the Chinese Communists against the "provisioning ships" which support the offshore island garrisons from Taiwan.

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