MEMORANDUM FOR: General T. W. Parker  
Executive Secretary  
Planning Coordination Group  

SUBJECT: PCG Study on Overseas Chinese Students  
and an Asian University  

Reference is made to your memorandum of August 4, 1955, with which you enclosed a draft memorandum on the subject mentioned above.

We feel that the analysis and recommendations of the memorandum are most useful on this aspect of the overseas Chinese problem. We have some doubt as to the desirability of the proposal in the memorandum that several of the OCB groups should address themselves to this problem in the first instance. Some of the present confusion and duplication of effort concerning this complex subject of overseas Chinese, may result from having too many Government groups working on the subject from slightly different points of view. We would suggest that one OCB group, perhaps the working group on NSC 5405, make the initial approach along the lines which we have suggested below.

While the study is most useful with regard to the university problem, and while the importance of counteracting the communist Chinese efforts to attract overseas Chinese is realized, we believe that there are other aspects of the education field which should be considered. For example, there is the matter of communist penetration of the Middle schools. The material set forth in the tab to the PCG memorandum and dealing with Singapore gives the impression that this matter is of even greater importance than the lack of university facilities.

We feel that the U.S. can play a leading role in SEA in influencing the local governments and private organizations (both indigenous and American) in building up a much-needed program of vocational and Middle school education for Chinese youth, and in assisting in nullifying communist penetration in them. The problem of placing young Chinese men and women into gainful, respected trades and non-professional positions in their adopted countries appears to us even more significant than extending university-level and professional training for the comparatively few individuals prepared to enter such advanced training.
In addition to the comments given above, and not in direct relationship to the PCG memorandum, we believe that a more concentrated effort needs to be made on the overall overseas Chinese problem. While action can only be determined through a specific country by country approach, we believe it might be useful to start by dealing with the general problem of overseas Chinese in Southeast Asia working toward specific country by country plans. Such a study might include four parts as follows:

1. Short Background Piece on the Overseas Chinese in SEA, including such factors as size of the group, traditions, business acumen, etc.

2. General U.S. Objectives Toward the Overseas Chinese (for example - orientation away from Peking, assimilation into countries of residence) in order of importance.

3. General Methods of Achieving U.S. Objectives Toward Overseas Chinese (for example - educational exchange, build up of Asian and Chinese chairs in good Asian universities, improvement in quantity and curriculum in Chinese Middle Schools, build up of vocational and normal schools, use of propaganda assets throughout the area, influencing local governments to pass legal measures which will serve their interests as well as U.S. interests toward the overseas Chinese).

4. Specific U.S. Objectives Country-by-Country in SEA, with brief statement overseas Chinese situation in each country, attitudes of local government and indigenous people toward overseas Chinese, with specific actions of U.S. agencies desired in each country.

Such papers should, of course, be sent to the missions in each relevant country for comment before decisions are taken. If such an exercise were completed for the countries included within the scope of the NSC 5405 Working Group, courses of action for other appropriate areas, e.g. Indonesia, could then be worked out.

Frank G. Wisner
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