February 20, 1961

kuo that U.S. Government response to GRC proposal on Chinese irregulars would be delayed past requested deadline. He took this calmly. Then I observed as my personal unofficial view that U.S. Government would find whole proposal satisfying except for provision that dorces already in Laos remain there intact. Pointed out recent neutrality statement by King Savang and endorsed U.S. Government called for elimination all foreign armies and equipment from Laos. Therefore I wished suggest informally that GRC amend proposal to call for repatriation to Taiwan of all irregulars in organized military units responsive to instructions from GRC--making no exception for Laos. If recognizable Chinat military forces remain they would become international political football and complicate good relations with U.S.

Chiang Ching-kuo reaction was explosive. He interrupted in English saying "absolutely not". He said GRC had made proposal in effort to cooperate with U. S. and could not possibly make any further concessions. Said U.S. Government pressure would not alter GRC stand however severe and would only destroy friendship GRC was trying sustain. U.S. Government must face fact irregulars already

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in Laos unwilling leave and GRC unwilling pull them out. GRC asks only that U.S. stand aside and not interfere with arrangements between GRC and Lao Government. These arrangements would involve integration of Chinese either in Lao army or in Lao economy. He said they would become overseas Chinese Lao citizens and "disappear" as irregulars. If U.S. queried could say knew nothing of presence of GRC forces in Laos.

- 3. Chiang Ching-kuo said GRC always tried cooperate in international problems but there are limits it cannot pass. Stated flatly GRC position on irregulars in Laos was final and not subject compromise. Said U.S. Covernment pressure on GRC to withdraw all irregulars would provoke "bad reaction" from Chinese people, the GRC had to keep struggling against Chicoms whether U.S. supported or not. U.S. had many enemies in world already and needed friendly governments like GRC so should not put GRC in impossible position with own people. All this was expressed during angriest most heated exchange with Chiang Ching-kuo that I have had in three years almost daily dealings.
- 4. Chiang Ching-kuo left somewhat abruptly in still rather smotional state. He apparently went almost immediately to Chiang

Kai-shok because he called me from Chiang Kai-shek's house at 1800 asking to come to my hours for further talk.

- and friendly mood to rehearse most of same points again within centext necessity for U.S. to see GRC viewpoint and try accommodes to it. He pleaded with me to insure U.S. Government understoed all GRC wanted was allow irregulars now in Laos "disappear" unobtrusively into Laotian life as best they could locally without U.S. exerting self to upset these local arrangements which GRC was sure could be promptly made. Said he and Chiang Kai-shek wanted do anything politically feasible keep cordial relations with U.S. on whom GRC depended is a support and leadership free world against communist aggression.

 Therefore GRC earnestly urged U.S. Government tacitly accept concept local arrangements for irregulars "melt" into Laos jungle.
- 6. This final interview ended 2000 with friendly though serious tone and Chiang Ching-kuo wish for "good news" from U.S. Government seen since failure to agree on constructive solution to irregular problem would be harmful to both countries.