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USCIB: 9.2/26

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21 January 1955

TOP SECRET

MEMORANDUM FOR THE MEMBERS OF USCIBEC:

Subject:

Intercept Base Rights on Formosa.

Reference:

USCIB 9.2/22 of 2 December 1954 (Minutes of Item 2 of the

Agenda of 22nd Meeting of USCIBEC).

1. In accordance with the decision recorded in the reference the enclosed report is submitted by the Department of State member.

2. The enclosure will be considered in connection with item 2 of the of the Agenda for the 24th Meeting of USCIBEC to be held 28 January 1955.

RUFUS L. TAYLOR Captain, U. S. Navy

Executive Secretary, USCIB

Enclosure
Memo for Chairman, USCIBEC
dtd 20 Jan 1955.

USCIB: 9.2/26

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DEPARTMENT OF STATE WASHINGTON

JAN 20 1955

TOP SECRET

MEMORANDUM FOR THE CHAIRMAN, USCIBEC

SUBJECT: Negotiations for COMINT Bases on Formosa

REFERENCE: USCIB 9.2/22

The following sets out the status of the negotiations for the COMINT bases in Formosa in accordance with the request contained in the referenced paper.

- 1. As of the last USCIBEC meeting Ambassador Rankin had received all the base requirements, had had preliminary discussions with the Chinese and had informed the Department of the points raised by the Chinese. These included requests for training and information and certain legal matters, the most important being that of the status of US forces. The Department had informed Rankin that US policy limited quid pro quo to cash and equipment previously scheduled.
- 2. In telegrams of 14 and 23 December Rankin stated that he believed the Chinese would press their requests for training and information. They had raised these points in 1953 when granting permission for the small ELINT unit now operating under the MAAG agreement. In December 1954 when discussing renewal of the permission for the ELINT unit, the Chinese again emphasized these matters.*
- 3. On 17 December a State-Defense telegram covered the non-intelligence points raised by the Chinese and suggested changes in the draft note in which the arrangement is to be set down. The jurisdiction problem was treated by proposing that US personnel shall not be responsible to Chinese authorities for acts or omissions arising out of performance of official duties and that a certificate from US authorities that an act or omission arose from official duty should be considered conclusive.

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- 4. On 30 December Ambassador Rankin again met with a representative of the Chinese Foreign Ministry. In the discussion the Chinese again indicated reluctance to make a specific commitment on the jurisdiction problem and commented on some of the other non-intelligence points. He also said that President Chiang had personally expressed interest in having the Chinese obtain some training and information from the proposed operations. Ambassador Rankin reiterated the US limitations on <u>quid pro quo</u> and apparently there was little discussion of this point. On the other matters, the Ambassador asked the Chinese to make counter-proposals.
- 5. The Ministry of Defense had been scheduled to make its comments on the proposed bases at the 30 December meeting, but were not prepared to do so. These comments should be forthcoming shortly.

(SIGNED)

T. Achilles Polyzoides
State Member

* The ELINT unit was granted permission to operate for six months. This period expired in July 1954 by which date no position on the Chinese requests for training and information had been taken. Rankin's 23 December telegram pointed out that the Chinese still had received no satisfaction on any of these matters. This crossed a telegram to MAAG saying that 2 men could be trained and information up to and including that classified SECRET could be provided. A telegram was also sent by the Army asking an indefinite extension of the ELINT operation. The delay apparently was necessitated by S-DMICC consideration of the problem.