

American Freedom and Foreign Policy

An Address

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*Mr. Chairman, members and guests of the
Boston Chamber of Commerce:*

Freedom is precious! There is an increased awareness all over the world by the people of every nation of this great truth. It is the fundamental truth recognized and translated into action by the Founding Fathers of our own America. The correctness of the statement is realized more now than ever before.

But on the other hand more people have lost freedom in the past ten years than in any other ten years in the history of the world. I believe one of the major reasons for this has been the failure of the people to realize what the essential requirements are for the freedom of a people in this modern world.

The people do not fully realize that economic freedom, and a successful foreign policy, are two essential requirements for the long-term true freedom of a people.

I would like to talk very frankly to you today about these two requirements for economic freedom and a successful foreign policy.

All over the world the Socialists, many of them perfectly sincere, have urged upon the people that they could and should give up their economic freedom and that they would thus maintain their other freedoms and would improve their material lot. The evidence to the contrary is now accumulating in country after country. It is becoming increasingly clear that unless a people are free to buy and to sell, to work and to earn, to build and to manufacture, to produce and to consume, to save and to invest, to profit and to venture, they cannot long maintain true freedom.

There must be freedom for business, freedom for industry, freedom for labor, and freedom for the professions, if a modern society is to continue to be free.

In very direct terms related to the issues of this country and of other nations in these recent years I state to you my views.

If our children are to be free, and if the children of any nation are to be free, then these safeguards for freedom must be alertly guarded:

1. The farms of the nation must be owned and controlled by the men who till the soil and not by the men in government.
2. The medical profession and others must be independent professions and not strait jacketed with a socialistic scheme of government control.
3. The great production industries such as steel and oil and chemicals must be owned and managed directly by the citizens and not by the government.

4. The money of the country must be sound and stable and not be burned away with inflation.

5. The major portion of the utilities and power of the country must be in the hands of the citizens and not of the government.

6. The retail stores of the country must be owned and operated directly by the people and not by the government.

7. The management of the schools must be local and decentralized and not be under federal control.

8. And finally, most important, but also inseparable from the rest, the traditional rights of freedom of speech and press and votes and religion must be maintained.

It is furthermore evident that regardless of what a nation does in its domestic policies its people cannot long be free if it fails in its foreign policy. America is today reaping a sad harvest, in the bloody Korean War, in the increased millions called for military service, in the increased billions in taxes, and the inflationary price spiral. It is a sad harvest, which is a direct result of the failures of its foreign policy after the victory of World War II.

My conviction of the tremendous importance of the conduct of our foreign policy because of its effect upon the future happiness in the homes of America has been the reason that I have followed international affairs so closely and studied them so extensively for many years. As you may have read, this close study of foreign policy recently brought me into the center of considerable controversy in Washington.

During the course of that controversy, some newspapers said "Why go into post-mortems?" They did not seem to

realize that the same men who participated in the tragic failures of American foreign policy in the past six years, are today conducting that foreign policy, making mistakes equally tragic but not yet so well recognized. They also did not seem to realize that my own first appearance in this recent Washington development came as a result of an unexpected subpoena from a Committee of the United States Senate, and that subpoena was issued as a result of testimony from a Professor at Northwestern University given without any advance notice on my part. This testimony by the Northwestern University Professor described my participation in an October, 1949, closed Conference in the State Department, and as a result the Committee subpoenaed me.

My answers to the Senators' questions, and the ensuing investigation and testimony, brought out ten important facts, all of which were at first denied, nine of which were subsequently proven and admitted, the tenth of which is still in dispute and I am confident will be proven and admitted before we end our investigation.

These ten facts are as follows:

1. That in the October, 1949, Conference in the State Department, called by Mr. Jessup and presided over by him, the prevailing group in the discussion, led in the discussion by Mr. Owen Lattimore and Mr. Lawrence Rosinger, favored a soft policy toward the Chinese Communists including early recognition, no more aid to the China Nationalists, letting Formosa fall, and seven other points.

My testimony from my recollection of the Conference was met with general denials, but finally after insistence by the

Committee, the official stenographic transcript was released. It substantiated every point of my testimony and Senator Pat McCarran, the Democratic Chairman of the Judiciary Committee and the Chairman of the Committee hearing this matter, stated publicly on October 14th, 1951, that "the official transcript corroborates Mr. Stassen's recollections completely and meticulously."

2. That at this October, 1949, Conference, Professor Colegrove and a few others, including myself, vigorously opposed that soft line toward the Chinese Communists. The official transcript finally released shows that I stated at the time that the recommendations of the opposing group would be a tragic mistake for America, and that I stated directly across the table that the steps they were advocating would hasten the victory of the Communists in China.

3. That Mr. Jessup said to me at the conclusion of the Conference that the "greater logic" was with the Lattimore-Rosinger recommendations. He has denied saying this, but subsequently it has been proven from Senator H. Alexander Smith's recollections and from his diary, that Mr. Jessup said practically the same thing to him; it has been proven in General Fortier's testimony that Mr. Jessup said practically the same thing to him in Tokyo, and by Admiral Cook's testimony that he said practically the same thing to him, and by an article in PATHFINDER in September, 1949, that he said practically the same thing to the PATHFINDER reporter in September of 1949.

Furthermore Mr. Jessup has been able to produce no letter, no report, no speech that he made in all of this period with

any statement to the contrary of the recollections of Senator Smith, General Fortier, Admiral Cook, the PATHFINDER reporter, and myself.

4. That the State Department was getting ready to recognize Communist China after India and Britain had recognized it. This again met with denials, but soon we located the story in the NEW YORK TIMES on January 11, 1950, which quoted Senator Tom Connally after a closed meeting of the Senate Foreign Relations Committee with Secretary Acheson just five days after the recognition of the Chinese Communists by Britain as follows:

"Senator Connally strongly indicated that while United States recognition of Communist China would not be accomplished 'in a hurry', *it was on the way.*"

We found the same interview corroborated by Mr. Potter in the BALTIMORE SUN on January 11, 1950, as follows:

"Connally said Acheson had taken up with the Committee the question of extending recognition to Communist China and added that in his view, the administration had thus 'fulfilled' its promise to consult with the appropriate Congressional Committee *before taking action.*"

5. That a conference was held at the White House, called by the President on February 5, 1949, attended by Senator Vandenberg, at which it was proposed and recommended that all military aid to the Chinese Nationalists be stopped, and that Senator Vandenberg opposed it, and the order was blocked.

This was denied the next day in an official release from the State Department. It was stated that Secretary Acheson recalled no such conference. It was stated the official record showed no such conference. When I insisted that I was positive of my recollection of Senator Vandenberg's conversation, and that I was certain that he would not have exaggerated; and when it was found that his diary substantially corroborated me, the State Department then admitted that the conference took place, later admitted that Secretary Acheson was present, admitted the recommendation to stop military aid was made, placed the major blame on General Barr, and admitted Senator Vandenberg opposed it.

6. That Mr. Jessup opposed aid to Britain during the Battle of Britain, that he opposed Lend Lease during the dark days of Europe, that he opposed the embargo on Japanese arms before Pearl Harbor, that he opposed the Greek-Turkey direct military aid program of President Truman and Senator Vandenberg. All these have now been admitted.

7. That Mr. Jessup was a key participant in the American China policy which has ended so disastrously in the Korea War and in the Communist control of China.

It has now been admitted that he edited the CHINA WHITE PAPER, that he attended as a leading United States representative the September 13, 1949, Conference on Far Eastern Affairs with Ernest Bevin then the Foreign Secretary of Great Britain, that he called the October, 1949, Conference on China Policy and Asiatic Affairs, that he led the Bangkok Conference on Asiatic Policy in early 1950.

8. That Premier Nehru and the India Government asked for one million tons of wheat in 1949 at the time of Premier Nehru's personal trip to the United States, that it was his principal request at that time, that the United States State Department turned the request down, that we had ten million tons of surplus wheat at the time, that this helped to cause the more extreme wheat shortage in India the following year, and that the request was not presented to Congress until January of 1951—eighteen months after the first request—eighteen months of increasing tragedy in India and steadily worsening relationship between India and the United States.

The Democratic Chairman of the Senate Subcommittee, Senator John Sparkman, and Senator J. William Fulbright, both indicated when I first testified to this that they did not think it could be true, that they had not heard anything of the early request. Subsequently it was all admitted by the State Department. This failure to grant this million tons of wheat to India out of our large surpluses at that time, wheat for which they were willing to pay at least a partial price and for which they were willing to agree to send future raw materials as they developed their production, was one of the gravest errors ever made in American foreign policy.

9. That Alger Hiss was the Chairman of a special group of consultants to the State Department after he left the State Department and went with the Carnegie Foundation, that Mr. Jessup was a member of this consulting group, that the group took up major State Department policies at the very time that Mr. Jessup first implied to the Committee that his

own activity had been limited to United Nations representation. This has now been admitted.

The only point I have not yet been able to finally establish is the fact that as Senator Vandenberg told me—Mr. Jessup joined in the recommendation and proposal in February of 1949, to stop all military aid to the China Nationalists. He has gone to great lengths to prove that he was not at the Conference. I never at any time said that he was at the Conference, and Senator Vandenberg never said that he was at the Conference. But Senator Vandenberg did say that he, Jessup, joined with Secretary Acheson in the recommendation and in the proposal.

He denies this, but the State Department refuses to let anyone see the documents of the February 5, 1949, meeting. They refuse to let anyone see the minutes of that meeting. Why do they thus refuse? And we have now proven that on the Monday before this meeting Mr. Jessup went to Washington and met with Mr. Acheson, and he met with the State Department Planning Staff, and he spent the whole day there. This was the day when the plans for the February 5th meeting were being made. Mr. Jessup says that this proposal to stop Chinese military aid was not talked about with him. Why then do they not release the official minutes and the official documents of the February 5, 1949, meeting?

We are following this up and I am confident that when we get to the bottom of it we will prove that Mr. Jessup did join in that recommendation just as Senator Vandenberg said he did.

When the Senate Committee subpoenaed me, I answered their questions fully and carefully from my recollections. I did so because of my grave concern for the future conduct of the foreign policy of our country. I did so because I have been deeply disturbed as I watched the great victories, won in World War II at such great cost and sacrifice, being dissipated and lost by the mishandling of our foreign policy.

I have emphasized that I do not ascribe motives. I recognize that these things all could have happened through honest mistakes of judgment or through ignorance of essential facts.

But as the mistakes continue in Korea and India and Iran and Egypt, it is terribly important that all Americans, Democratic as well as Republican, consider very carefully what is happening and what has happened. This is of the essence, not for post-mortems of the past, but for the sake of the future. It is essential for the sake of the future freedom and well being of America.

America had two very bad years in its foreign policy in 1945 and 1946. These were the years of Yalta and of Potsdam, of Chinese policy errors, of the mishandling of U.N.R.R.A., of the United Nation's Veto Clause, of the division of Korea at the 38th Parallel, and of the Morgenthau Plan for Germany.

In my judgment, during these years, the three most important men in the foreign policy of America were Mr. Dean Acheson, Mr. Alger Hiss and Mr. Philip Jessup. This is a hard fact. It is a disagreeable fact. But if you study carefully, you, too, will reach that conclusion. They were three brilliant men. They were friends. One or more of them was present

in the key role at each of the places where these terribly wrong decisions were made.

Then followed two good years—1947 and 1948. George C. Marshall as Secretary of State and Senator Arthur Vandenberg as Chairman of the Senate Foreign Relations Committee together wielded great influence. Mr. Acheson left the State Department, Mr. Jessup's association was very limited, and Mr. Hiss left and did not return.

These were the two years of the Marshall Plan, the Greek-Turkey Aid Program, the Rio de Janeiro Conference for the Americas, the beginnings of the Atlantic Union, the establishment of the new sovereign State of Israel, the firm stand in the Berlin Blockade, and the spectacular and successful Airlift.

Then followed three bad years in our foreign policy, 1949, 1950 and 1951. Mr. Acheson and Mr. Jessup were again in the ascendancy. This was the period of the further weakening of the China Nationalists, of the refusal of the million tons of wheat to India, of the delay in organizing an economic program for South Asia, of the Korea War, and of the firing of General Douglas MacArthur.

Let me also make it clear that I do not contend that everything that happened in 1945 and 1946 and in 1949, 1950 and 1951 was bad; nor that everything that happened in 1947 and 1948 was good. Credit should be given for the actual establishment of the United Nations, even though it was veto-ridden, for the establishment of the other United Nations commissions and agencies, for the following through on the Atlantic Pact under General Eisenhower's great leader-

ship in the arming of Western Europe, for the final decision not to let Formosa fall after the Korea War began, for the successful Japanese Peace Treaty and the support of John Foster Dulles' brilliant work in this regard.

And there were negative points in 1947 and 1948 including the failure to step up our air armament, even when Congress itself asked for it, and the pitifully inadequate Voice of America Program.

But taken as a whole, and weighing it in the balance, the periods of 1945 and 1946 and of 1949, 1950 and 1951 were bad years; and in 1947 and 1948 were good years in American Foreign Policy.

If the President of the United States would pause to reflect over these years, if he would review the minutes and the documents of his own White House conferences during this period, he would and should conclude that for the good of America he will accept the resignations of Mr. Philip Jessup and of his Secretary of State, Mr. Dean Acheson.

The lives and the future of the American people are at stake. As the first step in the building of a dynamic, successful, foreign policy, men should be placed in charge of it, in whom not only the President has personal confidence, but in whom the people of America can also have confidence. They should be men who have had no part in the tragic failures of these past years, men who have demonstrated beyond question splendid capacity, soundness of judgment, unquestionable patriotism, deep moral convictions, and great courage. If this is done, I am optimistic, notwithstanding all of the

darkness and difficulties in the world, that our America will win through with a victory for freedom and civilization over Communist tyranny without the tragedy of a third World War.



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