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Sarah Moody
sarahom@uw.edu

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The Dixie Mission, Patrick J. Hurley, and America's
Diplomatic Failure in China, 1944-45

A Senior Paper

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Undergraduate History Program of the University of Washington Tacoma

by

Sarah Moody

University of Washington Tacoma

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Abstract

This paper examines the American diplomatic effort in China in 1944-45 including the attempts at military coordination with Chiang Kai-shek's Nationalist government as well as the "Dixie Mission," which was the first official American contact with the Chinese Communist Party. I argue that the personalities of the American diplomats, the structural issues endemic to the China-Burma-India Theater, the fractured and complex Chinese political situation, and the lack of clear and rational foreign policy on China all culminated in the diplomatic efforts failing. While acknowledging the numerous contributing factors that led to diplomatic failure, this paper also suggests ways in which negotiations could have been more productive.

Introduction

In the Summer of 1944, a detached unit of the United States Military known as the U.S. Army Observer Group was sent to Yan'an in the heart of Communist-Controlled China. The Group (informally known as the "Dixie Mission"), was the first U.S. effort to contact the Chinese Communist Party (CCP) led by Mao Zedong since its establishment as an organized political entity nearly twenty-five years earlier. The United States had already granted diplomatic recognition to Chiang Kai-shek's Nationalist Party the Guomindang (GMD), though it was clear to many observers after the New Fourth Army Incident that the Second United Front between the Communists and the Nationalists was for all intents and purposes over. Though the United States was supportive of the GMD regime on paper, many officials were untrustworthy of the increasingly authoritarian and corrupt Nationalist government and dubious on the prospect of providing further military aid to the GMD after the war with Japan reached its conclusion.¹

The Observer Group was first conceived of by the foreign service officer John Paton Davies Jr., then working out of Chongqing, the Nationalist capital, in January, 1944.² Though Chiang Kai-shek initially rejected the idea, after prodding from President Roosevelt, the Generalissimo reluctantly allowed for the first dispatch of the U.S. Army Observer Group (under the condition that Dixie was called the "Observer Group," as opposed to "Mission") to be sent to Yan'an on July 22nd, 1944. The Mission opened up talks with Communist leadership for the first

¹ Carolle J. Carter, *Mission to Yanan: American Liaison with the Chinese Communists, 1944-1947* (Lexington: University Press of Kentucky, 2015), 9-11. All background information in this paragraph comes from the introductory chapter to Carter's monograph on the Dixie Mission.

² John Paton Davies Jr., *Dragon by the Tail: American, British, Japanese, and Russian Encounters with China and One Another* (New York: W W Norton & Company, 1972), 318.

time, which led to a confused American attempt to mediate between the CCP and GMD in the years following.

In the story of the Dixie Mission and the failed attempt at brokering Chinese unification, the personalities and interpersonal conflicts between individuals in positions of power take center stage. It is likely that the differences between the Communists and the Nationalists were simply impossible for the Americans to reconcile. That said, I argue that the political situation that the diplomats were working under, the poor structure of the China-Burma-India Theater (CBI), and the interpersonal squabbles endemic to the Mission doomed it from the start and put America on poor footing with the Chinese Communist Party, which went on to win the Chinese Civil War in 1949 and establish the People's Republic of China. In turn, the United States failed to establish a rational China policy until Nixon's secret visit to the mainland in 1972, and even then, the "Two China" policy has left the question of Taiwanese independence hanging and the door wide open for global conflict. The failure of the Dixie Mission and subsequent diplomatic mediation efforts has become even more relevant today, as the People's Republic has firmly solidified its place as a global superpower rivaling the United States.

Methodology

Fortunately, the Dixie Mission is very well documented. Correspondences that ran through the U.S. State Department has been recorded and is easily accessible through the Office of the Historian official records. For this paper, I relied on *Foreign Relations of the United States: Diplomatic Papers, 1944, China, Volume VI* primarily. I also referenced General Joseph Stilwell's firsthand log of events as they were recorded in *The Stilwell Papers*, originally published in 1948 following Stilwell's recall from his position in China at Chiang Kai-Shek's

request.³ John P. Davies's posthumous 2012 memoir *China Hand* was also a valuable firsthand account of the events of the Dixie Mission, especially on Davies's adversarial relationship with Hurley.⁴ Davies's earlier work *Dragon by the Tail* also shed some light on the tumultuous political condition of China at the time of the Mission from a historical perspective that draws on his lived experience as a child of missionaries born in Sichuan and career as an American diplomat.⁵

I will be examining these primary sources from a perspective that emphasizes international relations and the rippling effects of Dixie's failure on US-Sino relations. I also examine the interpersonal issues among American diplomats that affected the execution of the mission. Lastly, I examine the domestic political situation and the State Department's policies that saw Hurley's designation as special ambassador to China alongside the suppression of efforts made by the "Old China Hands" (that is, the cadre of foreign service officers and diplomats with many years of experience in China prior to Dixie) in improving the Chinese military and political situation.

Literature Review

Scholarship on the Dixie Mission can, in broad terms, be divided into two groups: the "lost chance" narrative that argues that diplomatic efforts in Yan'an could have succeeded if sympathetic diplomats had been listened to, and the "lost China" narrative, which argues that the Chinese Communists were too ideologically opposed to U.S. imperialism for diplomatic efforts

³ Joseph W. Stilwell, *The Stilwell Papers*, ed. Theodore H. White (New York: William Sloane Associates, 1948).

⁴ John Paton Davies Jr., *China Hand: An Autobiography* (Philadelphia: University of Pennsylvania Press, 2012), Proquest Ebook Central, <http://ebookcentral.proquest.com/lib/washington/detail.action?docID=3441943>.

⁵ John Paton Davies Jr. *Dragon by the Tail: American, British, Japanese, and Russian Encounters with China and One Another* (New York: W. W. Norton & Company, 1972).

to withstand the inevitable Chinese Civil War. The "lost chance" camp tends to find a great deal of sympathy for the "China Hands" who had the unenviable position of endorsing the CCP over the Nationalists to an unfriendly domestic government.

E.J. Kahn Jr. uses interviews and testimony from many involved in the Observer Group as well as information gleaned from their subsequent government hearings to craft a very sympathetic narrative in *The China Hands: America's Foreign Service Officers and what Befell Them* (1972). Kahn outlines the careers of most of the Old China Hands from their time in China to their demotions and loss of rank at the outset of America's second Red Scare. Career Foreign Service Officers such as John Paton Davies and John S. Service faced accusations of communist sympathy and were largely blamed for "losing China" by Senator Joseph MCarthy and the China Lobby once the dust had settled on the Chinese Civil War despite them simply doing their jobs by honestly reporting on the situation on the ground.

Often within the "lost chance" narrative is the assumption that poor leadership in the Observer Group led to the Mission's failure. This line of thought also charges that the State Department assigned leadership to the Mission based on their favorability to the GMD leader Chiang Kai-Shek rather than their diplomatic capability. Patrick J. Hurley was assigned as Roosevelt's direct liaison with Chiang at the Generalissimo's request in an effort to circumvent discussions with General Stilwell, who was much more critical of the GMD than Hurley. Having served as the Secretary of War in Hoover's administration, Hurley was an eccentric and boisterous figure in the diplomatic community, and was widely considered to be "totally ignorant" of Chinese issues.⁶ Historian Carolle J. Carter takes a somewhat more sympathetic

⁶ E.J. Kahn Jr., *The China Hands: America's Foreign Service Officers and What Befell Them* (New York: The Viking Press, 1972), 122.

approach to Hurley in her comprehensive book *Mission to Yen-an*, however she also acknowledges that poor leadership decisions were a contributing factor to the failure of the Mission.⁷ Carter argues that the Mission was able to accomplish a great deal in its own right despite political and structural issues that put the Observer Group at a disadvantage.

The "lost China" camp generally does not find sympathy in the China Lobby or the red-baiting members of the Senate, but rather takes issue with the idea that the Chinese Communists could have been moderated by the US in a meaningful way had they been given military and diplomatic aid instead of the GMD. Michael Sheng argues that the CCP's seeming willingness to work with the US during the Pacific War was an extension of the "United Front" strategy they applied with the Guomindang. The United Front strategy allowed the Communists to suspend their ideological opposition to the GMD as they both had Imperial Japan as a common enemy, and after the bombing of Pearl Harbor, the Communists and the US also held the Japanese as a common enemy.⁸ If we accept Sheng's argument, then Mao's seeming willingness in correspondence with American foreign service officers to adopt US style democracy, should they have the US as an ally in the imminent civil war, cannot be read in good faith but rather as an attempt to enlist help in the fight against fascist imperialism and no further.

The two narratives I have outlined above are evident in biographies written on characters of note involved in the Observer Group; of particular interest for my paper are biographies on Hurley. The earliest biography of Hurley I will be referencing will be the 1956 book simply

⁷ Carolle J. Carter, *Mission to Yen-an: American Liaison with the Chinese Communists, 1944-1947* (Lexington: University Press of Kentucky, 1997), 115.

⁸ Michael M. Sheng "America's Lost Chance in China? A Reappraisal of Chinese Communist Policy Toward the United States Before 1945" *The Australian Journal of Chinese Affairs* No. 29 (Jan. 1993): 137, <https://www.jstor.org/stable/2949955>.

titled *Patrick J. Hurley*, written by Don Lohbeck and authorized by Hurley himself.⁹ I will also be referencing the less sympathetic and much more academic examination of Hurley in Russel D. Buhite's 1973 book *Patrick J. Hurley and American Foreign Policy*.¹⁰ While the latter aligns more closely with the perspective my own paper will take, both works are valuable for understanding the facts around Hurley and reference primary evidence from the Hurley papers, which are held in the University of Oklahoma and have yet to be digitized.

My paper will fall closer towards the “lost chance” end of the spectrum. While the efforts to establish a coalition government between the CCP and GMD were likely never going to work, it is my stance that there was a window of time after talks were opened with Mao when the Americans could have utilized the Communists as a legitimate part of the war effort against the Japanese. A domestic political situation unfriendly to the CCP, a confused China policy, and personal quirks and squabbles between the diplomats on the ground as well as the structural issues endemic to CBI culminated in this opportunity for America to work with the CCP militarily to be squandered. **Background**

In order to understand America's foreign policy and diplomatic efforts in China during this period, it's important to explain the fractured political state of China and the roots of the ruling Guomindang (GMD) Party. In brief, the years following the dissolution of Imperial rule in China and the few years of Republican government were defined by political fragmentation and regional control of the country by various military powers. This is called the "Warlord Era" and was defined by many competing states ran by regional warlords controlling their small regions of power through military control.

⁹ Don Lohbeck, *Patrick J. Hurley* (Chicago: Henry Regnery Company, 1956).

¹⁰ Russel D. Buhite, *Patrick J. Hurley and American Foreign Policy* (London: Cornell University Press, 1973).

This state of affairs persisted until Chiang Kai-shek, who, as head of the Whampoa Military Academy, had become the leader of the GMD following Sun Yatsen's death in 1925, launched the Northern Expedition in March 1927 and advanced towards Shanghai with the aim of wiping out the regional warlord. Despite the United Front between the GMD and the CCP that was formed to defeat the regional warlords and unify China, Chiang nursed antipathy for the CCP. Under the leadership of Chiang's predecessor Sun, the GMD had been seen as primarily left-wing due to its initial Soviet backing and the strong Communist wing. One Treaty Port paper referred to the GMD as "the Red Wave on the Yangtze."¹¹ But on April 12th, Chiang Kai-shek seized the opportunity to violently purge the communists within the party and the popular socialists in Shanghai. The GMD forces enlisted the assistance the French police in Shanghai's Foreign Concession and the organized crime group the "Green Gang" to target at least 300 people in the streets that night in what is now known as the "White Terror." This was the "point of no return," for the GMD, which had now decidedly become a right-wing Nationalist party.¹²

The American Marines had been mobilized in the area as part of the War Department's "War Plan Yellow" alongside three British brigades, four thousand Japanese troops, and Shanghai's colonialist militia to intervene in order to protect American businesses and lives in the Foreign Concession, but Brig. General Smedley Butler declined to stop the massacre, because only Chinese and Communists were targeted.¹³ On the evening of the massacre, Butler wrote home to his wife about the "wholesale murdering within a mile of us," but indicated that

¹¹ Barbara Tuchman, *Stilwell and the American Experience in China, 1911-45* (New York: The Macmillan Company, 1970), 104-105.

¹² Ibid.

¹³ Jonathan M. Katz, *Gangsters of Capitalism: Smedley Butler, The Marines, and the Making and Breaking of America's Empire* (New York: St. Martin's Press, 2021), 292.

he was willing to intervene if Americans were harmed: "If they can't set up a Republic without killing our women and children then they can't have a Republic."¹⁴

The White Terror legitimized Chiang in the eyes of the United States. Following the massacre, Coolidge's Secretary of State Frank B. Kellogg declined to put sanctions on or retaliate against Chiang's military, referring to the Generalissimo as the "leader of the Moderates."¹⁵ Official recognition by the U.S. of the Nationalist Government led by Chiang Kai-shek followed shortly after.

Over the next two decades, Chiang Kai-shek grew his base of power out and consolidated the various regional warlords into the central government. He became a strikingly popular figure in the United States, especially on the right. Chiang, and his own version of authoritarian nationalism, represented a sort of stability that had stood in contrast to an increasingly rocky geopolitical state of affairs, still reeling from the first World War and the economic troubles of the 1930's. Chiang and his wife appeared on the cover of *Time* magazine,¹⁶ and Madame Chiang appeared before the U.S. Congress to request aid for defense against Japan, receiving applause and a standing ovation from her audience.¹⁷ Scholars draw a comparison between Mussolini's initial popularity in the U.S. as a modernizer and figure of stability in the 1930's to Chiang's positive perception in the States.

¹⁴ Ibid., 293.

¹⁵ U.S. Department of State, *Papers Relating to the Foreign Relations of the United States, 1927*, (Washington, DC: Government Publishing Office, 1942), 205. Hitherto referenced as *FRUS*.

¹⁶ *Time*, Oct. 26th, 1931, <https://content.time.com/time/covers/0,16641,19311026,00.html>.

¹⁷ "Soong May-ling: Address to the U.S. House of Representatives, Delivered 18 February 1943, Washington, D.C.," American Rhetoric: Online Speech Bank, last modified 7/20/22, <https://www.americanrhetoric.com/speeches/soongmaylingspeechocongress.htm>

As Chiang consolidated his power in China throughout the 1930's, Japan began to encroach on Chinese sovereignty; colonizing Formosa (modern day Taiwan), the Liaotung Peninsula, and, most significantly, Manchuria, which it had renamed to "Manchukuo." Manchukuo became an economic powerhouse for the Imperial Japanese, from which the Japanese military further developed its war machine, as well as cut off significant supply lines and railroads linking the Nationalist Government and the USSR. The Japanese invasion first escalated into China Proper in 1937 following the Marco Polo Bridge Incident, which gave Japan pretense for launching a full-scale invasion, marking the beginning of the Second Sino-Japanese War.

For their part, the Chinese Communists began to establish their own base of power separate from the GMD's orbit after the Shanghai purge in 1927. Following the Nanchang uprising of 1927, the Communists were able to establish the Jiangxi Soviet and establish a government organized by the principles of Marxist-Leninism. The early Communist state was eventually encircled entirely by the Nationalists, forcing the Communists to make a total retreat into the Chinese countryside in 1935. Thus began the "Long March," where the remaining Communist forces marched deep into the Chinese interior for over a year. The Communists ended their trek in the mountain base of Yan'an, where they once again began to grow out their base of power and recruit local peasants and workers into their movement.

Despite the struggles Chiang's Nationalist regime faced in the East, cooperation with the rising power of the CCP was tenuous. Despite taking heavy losses in land, military capacity, and resources, the central government "went back on" the deal with the CCP to form the Second United Front against the Japanese, which they had established in 1937 but had fallen apart by 1941. Chiang prioritized defeating the Communists over the Japanese and is famously quoted as

saying that “the Japanese are a disease of the skin, but the Communists are a disease of the heart.”¹⁸ As a result, the Communist troops and Nationalist troops were unable to coordinate military efforts against the Japanese and were engaged in various skirmishes with one another. Both groups remained isolated militarily in their bases of control, and without international recognition from the Americans or even the Soviets, the Communists remained isolated politically.

American Presence in China

America entered the Second World War alongside the Allied nations after the bombing of Pearl Harbor in December 1941. The Allies established the China-Burma-India War Theater (CBI) with a British general as commander over India and Burma and Generalissimo Chiang Kai-shek as commander over China. Chiang requested an American Chief-of-Staff oversee the army. This role fell to Maj. General Joseph W. Stilwell, who was one of the American military's leading China experts due to his knowledge and experience in the region. Stilwell's assignment came with a number of overlapping responsibilities. He was the commander of U.S. forces in China under Secretary of War Henry Stimson, as well as Roosevelt's personal representative and the sole administrator of the Lend-Lease program in China. This gave him a disproportionate amount of power compared to the Generalissimo, who was supposed to be his superior.¹⁹

Aside from Stilwell's "astonishing capacity for hatred,"²⁰ the general is most known for the Northern Burma campaign. From 1941-43, "Vinegar Joe," as Stilwell was often called,

¹⁸ Wesley M. Bagby, *The Eagle-Dragon Alliance: America's Relations with China in World War II* (Newark: University of Delaware Press, 1992), 21.

¹⁹ Bagby, *Eagle-Dragon Alliance*, 28-29.

²⁰ *Ibid.*, 29.

headed an effort alongside the British occupiers of Burma and the Chinese military to create a safe supply route and oil pipeline stretching from Allied-controlled India into the Chinese interior. This plan, code named "Saucy," was intended to circumvent Japanese air and naval blockades that cut off Allied supply routes into China from the traditional coastal hubs on the Eastern side of the continent.²¹ Stilwell was adamant about the importance of this supply route, but Chiang was less convinced. Chiang was hesitant to send the limited number of Chinese ground troops to Japanese-occupied Northern Burma when population centers like Chongqing and Nanjing were being torn apart by a Japanese advance in the East. Keeping the Nationalist forces unified near the capital was also important for Chiang's interests, as he needed his forces not so spread so thin as to weaken his own position against the former warlords tentatively under his party's control or the CCP. Stilwell's Burma project continued, and the general held a significant portion of the Chinese troops in the area under his control. However, Stilwell's authority was undermined by Chiang, who would send "paralyzing orders" to the Chinese officers behind the general's back and ultimately doomed the project's hope for total success.²² This disagreement was the beginning of a simmering feud between the two that would mar Sino-U.S. military relations for the rest of the war.

Despite their roles demanding coordination and shared purpose, the two had a deeply antagonistic relationship. Chiang resented the power that Stilwell and the American government held in China. He believed that American aid to China was lacking compared to the aid that the other Allied nations were receiving, especially in terms of Lend-Lease materials, which he

²¹ Davies, *China Hand: An Autobiography*, 178.

²² *Ibid.*

argued in talks with Stilwell came with strings attached. Stilwell, for his part, believed strongly that the National Government was hopelessly corrupt, and that the only solution for China's political situation was "the elimination of Chiang Kai-Shek."²³

It is true that America did not give Lend-Lease materials to the Chinese government in the same capacity that they were given to other Allies such as the British and the Soviets. As the Chief-of-Staff of CBI, Stilwell had full control of the distribution of Lend-Lease materials. Chiang and his government did not have any say over how Lend-Lease materials were distributed unlike their Allied counterparts, and Stilwell held his power over Chiang's head during their squabbles. At the same time, Stilwell was intimately familiar with the GMD government's excessive graft and saw firsthand how the fortunes being poured into China were furnishing the pockets of party leaders and military officers and not going towards the war effort. Stilwell was particularly disgusted by the state of the Chinese army, lamenting in 1944 that "the troops are unpaid, unfed, [and] shot with sickness and malnutrition... training is nonexistent...[and] the officers are jobholders." In this same undated report Stilwell claims that GMD divisions made up of 10,000 troops on paper were in reality made up of no more than 5,000.²⁴ Forces under the GMD were largely composed of unwilling conscripts, who were sometimes chained together at night so they wouldn't be able to desert. A significant percentage of Chinese troops died of starvation, and anyone who argued for better conditions for the soldiers was at risk of being labeled a communist and purged accordingly.²⁵

²³ *The Stilwell Papers*, 271.

²⁴ *Ibid.*, 267.

²⁵ Jonathan D. Spence, *The Search for Modern China* (New York: W. W. Norton & Co., 2013), 427.

In an effort to bolster the strength of Chinese army, Stilwell suggested that the Communists be armed alongside the Nationalist forces. Chiang pushed back on the suggestion heavily, as giving any aid to the communists would require political concessions.

The failings of the GMD government became clear by the November 1943 Cairo conference summit between the Allied leaders of the United Kingdom, United States, and the Chinese central government. During the conference, Roosevelt personally pushed for Chiang to establish a coalition government with the Communists and to enact democratic reforms to better execute the war effort. Roosevelt left speaking much less positively about Chiang's government, but still stated that they he was the legitimate head of state for the Chinese nation, citing the lack of a better alternative.²⁶

Dixie

In January, 1944, foreign service officer John Paton Davies Jr. suggested that a detached group of American military and diplomatic officials travel to the Chinese Communist capital in Yan'an. The intent of this effort was to gain intelligence on the military and political capacity of the CCP, as well as to lessen the chance that the CCP would fall into the Soviet orbit at the end of the war. Up to this point, the U.S. knew little about the Chinese Communist controlled areas of China. There were a handful of American journalists who had made contact with the Chinese Communists, most notably Edgar Snow, the author of the 1937 book *Red Star Over China*. Snow's reporting was the first exposure most Americans had to the Chinese Communists, and it painted a broadly sympathetic view of the guerrilla group. Among the first American state actors to share their impression of the CCP was Marine Captain Evans F. Carlson, who, during his time in China during the 1930's, wrote regular letters to Roosevelt about the Chinese political and

²⁶ Bagby, *Eagle-Dragon Alliance*, 89.

military situation. Carlson, In November 1937, traveled to Yan'an in a personal capacity to see the fabled Communist Chinese in person.²⁷ In a characteristically romantic fashion, Carlson described Yan'an as "China's Fountainhead of Liberalism," and claimed to see "the same spirit which had animated our own ancestors at Lexington, Trenton, and Valley Forge" in the CCP's cause.²⁸ As historian Barbara Tuchman writes, Carlson's perception of China was "filtered through the rhetoric of the American dream," and made him somewhat blind to the profound differences between the CCP and the GMD.²⁹

Chiang Kai-shek was, predictably, resistant to the idea of an American liaison with the Chinese Communists. Chiang only stood to lose political power as the Communists gained power, and Stilwell's plan to arm the Communists alongside the central government's troops with Lend-Lease materials posed an existential threat to his regime. However, the reality of the Japanese occupation was dire, and the arming of the Communists in Yan'an had tepid support among high levels of the American government. Chiang stalled, but reluctantly allowed for the effort in June, 1944. On July 22nd, the first round of military and diplomatic officers of the United State Military Observer Group, informally referred to as the "Dixie Mission,"³⁰ stepped foot on Communist-occupied China for the first time.

²⁷ Davies, *China Hand: An Autobiography*, 27. Carlson would later incorporate his experience with the Chinese Communists into his own battalion "Carlson's Raiders," and is credited with bringing the Communist slogan "gung ho" ("work together") into American vernacular.

²⁸ Tuchman, *Stilwell and the American Experience in China*, 175-176.

²⁹ *Ibid.*

³⁰ Davies, *Dragon by the Tail*, 318. Davies's explanation for the nickname: "[B]ecause for some months my colleagues and I had sportingly called the Communist area Dixie - a rebel territory - the observers were also referred to, among Americans, as the Dixie Mission."

The first dispatch of the Observer Group was a small band of U.S. military leaders and diplomats considered to have an extensive amount of knowledge and experience in China. Often referred to as the “China Hands,” these men knew the language and were intimately familiar with the people, culture, and conflicts of the region. The commanding officer of the Observer Group was Colonel David D. Barret. John Davies and Gen. Stilwell recommended Col. Barret for the position because of his extensive knowledge of the language and long history of serving the U.S. in China from 1924-1944.³¹ John S. Service was the foreign service officer attached to the Mission and was the first American diplomat to hold direct talks with the Chinese Communists. Born to American missionary parents in Chengdu in 1909, Service began his career as a foreign service officer in China in 1935.³² His initial reports are among the first of their kind to detail the political, military, and social situation in Communist China.

It is important note that the role of foreign service officers in China was unusual, and their relationship to the embassy was, according to Buhite, “never more than vaguely defined.”³³ John P. Davies and John S. Service were assigned to General Stilwell as political advisors alongside two other “China Hands,” John K. Emmerson and Raymond Ludden. Their reports on the ongoing GMD-CCP conflict were tacitly approved by the embassy in Chongqing, but the embassy actually had very little oversight over these reports. Ambassador to China Clarence Gauss often felt sidelined by these foreign service officers, though he rarely disagreed on the content of their reports but rather their lack of strict adherence to procedure.³⁴

³¹ Carter, *Mission to Yen-an*, 26.

³² Kahn, *China Hands*, 311.

³³ Buhite, 181.

³⁴ *Ibid.*

The number of members of the first dispatch of the Dixie Mission didn't reach over twenty. A few of the members were secretly working for the Office of Strategic Services (OSS), the precursor to the modern CIA that operated in every branch of the military during World War II.³⁵

The Communists, for their part, were eager to host the Americans. The prospect of American military aid was exciting, but, more importantly, diplomatic contact with the Americans gave the rogue state a degree of geopolitical legitimacy. According to Davies, Mao made the request for an American Consular office only a week after the Observer Group arrived.³⁶ Predictably, the request was not granted, and the small, fangless attaché that was Dixie remained the only American diplomatic liaison with the Chinese Communists for the remainder of the war.

The American visitors were lodged in a compound located a half mile away from Yan'an. The men stayed in what they called "caves," which were fifteen foot long stone-lined tunnels dug into the hillside. There was no running water or plumbing, and the heating was provided by charcoal braziers, which made the Americans sick from carbon monoxide fumes trapped in their claustrophobic rooms on multiple occasions.³⁷ Orderlies from the Eight Route Army filled earthenware water basins outside of the cave entrances, and clean drinking water was sometimes kept in captured Japanese sake bottles.³⁸ Food was provided to the Americans at no cost, and Zhou Enlai even refused an offer from Colonel Barret to take payment for their services.³⁹

³⁵ Carter, *Mission to Yen-an*, 33.

³⁶ Kahn, *The China Hands*, 118.

³⁷ Carter, *Mission to Yen-an*, 37.

³⁸ *Ibid.*, 38.

³⁹ *Ibid.*

John S. Service wrote the first official reports to the State Department on the goings-on of this new thing called Communist China. In a report written on July 28th, Service described his first impressions of Yan'an in glowing terms. Stating that "the spell of the Chinese Communists still seems to work," Service described a healthy society that lacked the sights of abject poverty in beggars and the like that were so common in GMD controlled cities such as Chongqing and noticed that women were treated as equals to their male counterparts. Service perceived a sense of purpose and morale among the people and compared the atmosphere of Yan'an to a "small sectarian college," commenting that "[t]here is a bit of the smugness, self-righteousness and conscious fellowship."⁴⁰ Of course, the pageantry of a warm diplomatic welcome, as humble as it might have been in the mountain base of Yan'an, necessarily belies the political intent of the actors present and does much to conceal the weight of the decisions that have to be made on the ground. On August 27th, 1944, Service held a remarkable eight-hour long discussion with Mao Zedong, wherein he made a direct overture for American support and promised full military and political cooperation with Washington. Stating that "The United States would find us more cooperative than the [Guomindang]," Mao directly called for the U.S. to shift its China policy away from Chiang and alongside the Communists and went so far as to say they would protect foreign capital in China to ensure industrialization, claiming that "even the most conservative American businessman can find nothing in [the CCP's] program to take exception to."⁴¹

⁴⁰ John S. Service, *Lost Chance in China: The World War II Despatches of John S. Service*, ed. Joseph W. Esherick (New York: Random House, 1974), 179-182.

⁴¹ Davies, *Dragon by the Tail*, 321.

We can and should hold some doubt about the earnestness of Mao's overture to the Americans. The Communists were concerned with Chinese nationalism and security first and foremost and were likely only willing to work with the Imperialist Americans as a united-front measure against the Japanese. As Michael Sheng explains:

While the CCP's anti-imperialism was an extension of its class struggle paradigm, its diplomacy was an extension of its domestic united-front technique. In the Party's vocabulary, *tongzhan* (united front) was synonymous with *waijiao* (diplomacy). For instance, in a Party telegram dated 12 August 1936, a united front action aiming at winning over some KMT factions in northwestern China was called '*waijiao*.' In the early 1950s, Zhou Enlai said that 'generally speaking, diplomacy is also a kind of united front work.' As it was, united front tactics were aimed at winning over temporary allies for achieving short-term objectives. Therefore, the CCP's flexibility in dealing with the Americans should not be assumed to be a sign that the Party was seeking long-term friendship with the U.S.⁴²

Despite this, it's hard to see Washington's disregard of Mao's overture as anything but a missed opportunity. One need not pretend an America-backed CCP was ever a possibility politically to acknowledge that military coordination with and utilization of the vast military forces of the Communists was a viable strategy against the Japanese, especially considering the U.S.'s willingness to cooperate with Stalin's regime in Europe.

Service was among the first of the Old China Hands to predict the outcome of the inevitable Chinese Civil War. As early as October 1944, Service reported that due to the popular support of the movement, the significant portions of the Chinese countryside already controlled by the Communists, and the effectiveness of the leadership of the CCP as compared to the GMD, that the Communists are "certain to play a large, if not dominant, part in China's future."⁴³

John P. Davies, the cardinal China Hand who first proposed the Observer Group, arrived in Yan'an the same month and was introduced to the CCP party leadership in short order. Davies

⁴² Sheng, "America's Lost Chance in China?", 136.

⁴³ Service, *Lost Chance in China*, 247.

met with Mao and was later presented a military proposal by which the Americans would invade the Chinese coast near Lianyungang with the support of CCP ground troops, who would attack and retake Japanese supply lines in the North. In this correspondence, the Communists volunteered important intelligence about the size of their own forces and the Japanese divisions around the port. Davies summarized this meeting in early November and sent his report to CBI and the State Department. Again, according to Davies, there was no response from the State Department, and the proposal fell into the dustbin of history.⁴⁴

Hurley's Arrival

As the Observer Group was getting underway, talks in Chongqing between the Americans and the GMD leadership continued to stall. In the early Summer of 1944, the Japanese continued its advance into central China, and Stilwell was suffering in Burma without reinforcements from the central government. The Allied position was increasingly dire, but Chiang continued to hold Nationalist troops in a defensive position against the Communists. On July 6th, 1944, Roosevelt strongly urged the Generalissimo to “recall [Stilwell] from Burma and place him directly under you in command of all Chinese and American forces, and that you charge him with the full responsibility and authority for the coordination and direction of the operations required to stem the tide of the enemy’s advances.”⁴⁵ In the face of strong pressure from Washington, Chiang continued to stall.

As it became clear over time that the relationship between Chiang and Stilwell was untenable, Patrick J. Hurley was sent as a "Special Presidential Envoy" to facilitate talks between

⁴⁴ Davies, *China Hand: An Autobiography*, 220.

⁴⁵ Buhite, *Patrick J. Hurley and American Foreign Policy*, 152.

the two and “harmonize” their working relationship.⁴⁶ Having served as Secretary of War for the Hoover administration,⁴⁷ Patrick J. Hurley was a career politician with a strong legal background. A big name in Republican politics, Hurley had the potential to run on the Republican ticket for the 1940 presidential election. However, Hurley's hopeful presidential run was dashed when Roosevelt announced he would run for a third term. Despite Hurley's initial disappointment, he broke with some of his party and hesitantly supported FDR and his New Deal policies. Hurley had previously worked with Roosevelt's State Department as a private citizen during the 1938 Mexican oil expropriation controversy, wherein Hurley, representing the Sinclair Oil Company, facilitated oil deals with the Mexican government, which had declared all oil reserves in Mexico, including the property of foreign companies, as property of the Mexican state.⁴⁸

Whether or not Hurley's support of FDR came about from their positive working history, a political shift towards a "Republican Internationalism" after the outbreak of the Second World War, or simple, cynical careerism as his critics charge,⁴⁹ the positive feeling seems to have been mutual. Roosevelt had amicable feelings towards the former Secretary of War and elected to appoint him to significant wartime diplomatic posts in the Pacific.

Hurley wore many hats from 1940-43: aiding Douglas MacArthur in the Philippines, serving a brief tenure as minister to New Zealand, and most notably, a "fact-finding" assignment

⁴⁶ Dan Lohbeck, *Patrick J. Hurley*, (Chicago: Henry Regnery Company, 1957), 308.

⁴⁷ *Ibid.*, 111. As Secretary of War, Hurley was instrumental in the Hoover administration's decision to use the military to break up the popular "Bonus March" protests in D.C. in 1932.

⁴⁸ Buhite, *Patrick J. Hurley and American Foreign Policy*, 89.

⁴⁹ Theodore H. White and Annalee Jacoby, *Thunder out of China* (New York: William Sloane Associates, 1946), 245.

in the Soviet Union. This last episode is especially remarkable because Hurley held direct talks with Soviet Foreign Minister Molotov then later the Soviet dictator Josef Stalin in November 1942. The normally closed-off Soviet leadership responded well to Hurley's arrival and gave Hurley important information about Russian military strategy and materials. His hosts even showed him the hellish Stalingrad battlefields, which made Patrick Hurley the first American official to lay eyes on the Eastern Front in person.⁵⁰

In his visit to the USSR, Hurley, just as he had done previously with Roosevelt, attempted to persuade Stalin to focus more military efforts on Japan. Stalin reaffirmed that the European Theater would remain the primary focus of the USSR, but also indicated that they would be willing to re-focus efforts on the Japanese after the Germans had been defeated. Hurley's visit led to the U.S. envoy to "advise broadening Lend-Lease" to the Soviets, and Hurley wrote back that he had established a strong rapport with the dictator.⁵¹ Hurley's amicable relationship with Stalin is striking, and an early indicator that he was much too forgiving of autocrats, a tendency that re-emerged during his talks with Chiang Kai-shek.

While Hurley did have a decent working history in diplomacy in the Pacific during the War, Roosevelt's decision to appoint him as a personal envoy to China is questionable. The political situation in China following the 1911 revolution and ensuing periods of warlordism, Japanese encroachment, and consolidation of political power by the Nationalists was extremely complicated. Many of the "Old China Hands" had lived in the country for decades and had a degree of expertise and experience in China that allowed them to hold nuanced perspectives on Chinese culture and politics, which informed their actions as diplomatic representatives of the

⁵⁰ Buhite, *Patrick J. Hurley and American Foreign Policy*, 107.

⁵¹ *Ibid.*, 108.

United States.⁵² Hurley, in contrast, had little experience in China. He didn't know how to speak Chinese, once called Mdm. Chiang Kai-shek "Mrs. Shek,"⁵³ and compared the differences between the Guomindang and Communists to the differences between the American Republicans and Democrats.⁵⁴

By the time of Hurley's arrival in Chongqing on September 7th, talks with the Generalissimo had still gone nowhere. The Japanese encroachment into the Allied position in South-Central China was so dire that Stilwell drafted correspondence (though it wasn't delivered) that if changes weren't made his "recommendation would be for the United States to withdraw entirely from China and India, and set up a base in Russia."⁵⁵ On September 19th, Secretary of State George Marshall drafted a piece of correspondence for Chiang that demanded that he give over control of the entire Chinese military to Stilwell, threatening to take away precious Lend-Lease materials. The Marshall Note had Roosevelt's signature and was a striking shift in the general tenor of talks between American and GMD leadership. Hurley, believing he was making progress with the Generalissimo, recommended against giving the letter over.⁵⁶ Having years of built-up anger and resentment for the Peanut, Stilwell was adamant on the ultimatum. Stilwell referred to the note in his diary as a "bundle of paprika,"⁵⁷ and relished the

⁵² Kahn, *The China Hands*, 2-3.

⁵³ Kahn, *The China Hands*, 122.

⁵⁴ John Paton Davies Jr., *China Hand: An Autobiography*, (Philadelphia: University of Pennsylvania Press, 2012), 227.

⁵⁵ Buhite, *Patrick J. Hurley and American Foreign Policy*, 155.

⁵⁶ *Ibid.*, 158.

⁵⁷ *The Stilwell Papers*, 281.

opportunity to hand the insulting letter to the Generalissimo personally.⁵⁸ Chiang called the letter “the greatest humiliation [he] had been subjected to in [his] life.”⁵⁹

The Marshall Note backfired tremendously, and for Chiang, confirmed his suspicions of America's ill-intent in China. His biographer argues that the U.S.'s demand amounted to “neocolonialism,”⁶⁰ and it isn't hard to see why. Lend-Lease was already being given to the Nationalist government only through an intermediary in Stilwell, and handing the command of all Chinese troops to Vinegar Joe would have amounted to a total loss of Chinese authority over the military and, in turn, national sovereignty.

Chiang demanded days after the incident that Stilwell be recalled. Out of fear that China might sign a separate peace deal with Japan, at this point leaning heavily on its back foot in the Pacific Theater, the U.S. acquiesced and recalled Stilwell on October 28th, 1944. He was replaced as CBI Chief-of-Staff with General Albert Wedemeyer, who was significantly more sympathetic to the Nationalist regime than his predecessor. Roosevelt's motivation to sign the Marshall Note in the first place remains a major question. Why issue an ultimatum to Chiang and immediately back down?

Barbara Tuchman, author of Stilwell's definitive biography, suggests that Roosevelt's health had deteriorated past the point where he cared about Chiang's dignity “or else signed Marshall's message with little attention, which amounts to the same thing.”⁶¹ Whatever the

⁵⁸ *The Stilwell Papers*, 282-283. Stilwell was so elated by the opportunity to hand the rude letter over to Chiang that he wrote home to his wife a short poem about the experience: "I've waited long for vengeance —/ at last I've had my chance / I've looked the Peanut in the eye / And kicked him in the pants. / The old harpoon was ready / With aim and timing true, / I sank it to the handle, / And stung him through and through."

⁵⁹ Jonathan Fenby, *Chiang Kai-shek: China's Generalissimo and the Nation He Lost* (New York: Carroll & Graff, 2003), 427.

⁶⁰ *Ibid.*, 430.

⁶¹ Tuchman, *Stilwell*, 486.

circumstance, it is the opinion of the author that this moment did the most to ruin any hopes of The United States putting any sort of diplomatic pressure on Chiang Kai-shek's regime. This moment showed the Generalissimo that the Americans were willing to give up their own interests in service of his regime. After the Marshall note was given over and Stilwell lost his position as CBI chief-of-staff, Hurley began his mediation effort with the GMD and CCP. After establishing further report with the Generalissimo, Hurley left for Yan'an to link up with the Observer Group and begin talks with the Communist leadership.

Hurley's arrival in Yan'an was momentous and marked a shift away from the spirit of open communication on the ground. As opposed to the foreign service officers in the area that were tasked with intelligence gathering and permitted to do little else, Hurley had a mission. He was to facilitate talks between the Communists and the Nationalists and was convinced he would be able to unify China.⁶² Stepping off the plane on November 7th, 1944, with searing optimism and a "Choctaw war whoop"⁶³ that shocked his Chinese hosts, Hurley began talks with the CCP leadership.

Neither the Americans embedded in Yan'an or the Communists were expecting Hurley to arrive that day. Colonel Barret, upon seeing the ludicrous number of decorations that Hurley wore to the occasion, joked that he "was decorated for everything but Shay's Rebellion."⁶⁴ Hurley arrived in Yan'an with Communist leadership in a retrofitted ambulance and was put up in the caves at the Observer Group's compound in short order. Hurley spoke to John Davies about his intention of unifying the CCP and GMD and made his comparison between the

⁶² Buhite, *Patrick J. Hurley and American Foreign Policy*, 165.

⁶³ Theodore H. White and Annalee Jacoby, *Thunder out of China*, 253.

⁶⁴ Kahn, *The China Hands*, 135.

American Republicans and Democrats to the two warring factions. Davies suggested that it might not be as simple of a task as Hurley might think. Hurley, unimpressed, put Davies on a plane back to the embassy in Chongqing that day.⁶⁵

On November 7th, 1944, the same day Hurley sent him back to the embassy, John Davies had written what was probably the most astute and accurate analysis on the CCP's motivation for cooperation with the Americans and their flexible ideology, as well as their desperate need for foreign investment. Davies's report reads in part: "So the [CCP] watch us with mixed feelings. If we continue to reject them and support an unreconstructed Chiang, they see us becoming their enemy. But they would prefer to be friends... because they recognize that our strategic aims of a strong, independent and democratic China can jibe with their nationalist objectives." Davies goes on to predict the outcome of the Chinese Civil War with uncanny accuracy in the same report: "The Communists are already too strong for [Chiang]. Civil war would probably end in a mutually exhausted stalemate. China would be divided into at least two camps with Chiang reduced to the position of a regional warlord."⁶⁶ This report, like Service's before him, was ignored by Washington, and Hurley continued to lead the way in negotiations with the Communists.

Hurley's own talks with Chinese Communist leadership began the following day. Without a Chinese speaking foreign service officer present, Hurley presented his own proposal for a cooperation agreement that he had drafted in Chongqing but was surprisingly open to modifications made by the Communists. At their second meeting, Mao Zedong and Zhou Enlai presented their list of changes they would make to the proposal. Colonel Barret recalls that

⁶⁵ Ibid., 136.

⁶⁶ Ibid., 136-137.

Hurley examined the proposal and told the Communists “[g]entlemen, I think this is fair, but it doesn’t go quite far enough.”⁶⁷ Barret said that Hurley “suggested additions, practically giving the Communists the moon on a silver platter. I was astounded...and Mao and Zhou seemed flabbergasted at his proposals, too.”⁶⁸ It was in their second meeting that the depth of the animosity between the Communists and the Nationalists finally dawned on Hurley. In a memorandum on his conversation with Mao on the 8th, Hurley wrote that he “did not know that the feeling was so deeply engrafted as it appeared in this afternoon.”⁶⁹

Nevertheless, Hurley, accompanied by Zhou Enlai, left for Chongqing with a five-point proposal for the establishment of a coalition government in China on November 10th. The proposal called for the immediate unification of all anti-Japanese forces in China, the establishment of a new coalition government including representation from all anti-Japanese political parties in China, the legalization of the Communist Party as well as all other anti-Japanese political parties in China, and the promise of democratic reform.⁷⁰ Despite Hurley’s optimism, Chiang Kai-shek and the Nationalist leadership responded poorly to the proposal signed by the Communists. The Nationalist government responded with a three-point counterproposal that, in essence, laid out a plan for military unity and a “coalition government” whereby the CCP was legalized on paper, but their military was made subordinate to the central government’s and the party was “incorporated” into the GMD.⁷¹ This would have amounted to

⁶⁷ Ibid., 137

⁶⁸ Ibid, 137-138.

⁶⁹ Buhite, *Patrick J. Hurley and American Foreign Policy*, 170.

⁷⁰ Ibid.

⁷¹ Ibid., 172.

total capitulation for the Communists and would have necessitated they give up significant military power and land over to the Nationalists. Zhou Enlai took this proposal back to Yan'an, which incensed the rest of the CCP leadership. Mao "flew into a violent rage," and he and Zhou told Colonel Barret "General Hurley says we will gain the approbation of the world if we give in... but the approbation of the world will do us little good if we submit to being tied hand and foot by the Generalissimo."⁷² Despite these setbacks, General Hurley was officially made the Ambassador to China the same week on November 17th, replacing Ambassador Clarence Gauss. Poking fun at his confused dual role as ambassador and military leader, some of his subordinates at the embassy began to refer to Hurley as "Genbassador."⁷³

Now Ambassador Hurley continued in his talks with the Communists and the Nationalists through the end of 1944, however he hit a huge setback on December 28th. The Communists drew a hard line and said they were unwilling to continue any negotiations until a list of demands was met, including the release of all political prisoners by the central government, the cessation of Nationalist attacks on key Communist holdings and military positions, and the ending of all secret police activity conducted by the central government.⁷⁴ Hurley was shocked by the assertiveness of the CCP's demand, but later found out a possible reason for their intransigence.

General Robert McClure, Chief of Staff for General Wedemeyer, had drafted a military proposal for cooperation with the Communists to attack the Japanese in Communist-held territory. The proposal called for American airborne units to organize and lead CCP guerrilla forces in strikes against key Japanese installations. These units would be comprised of American

⁷² Kahn, *The China Hands*, 139.

⁷³ *Ibid.*, 139-140.

⁷⁴ Buhite, *Patrick J. Hurley and American Foreign Policy*, 179.

paratroopers sent from Europe after Germany's defeat. The plan would have also seen the Communists build airfields and perform intelligence work.⁷⁵ The plan was shown to Hurley in mid-December and was given his tacit approval under the condition that it wasn't shown to the communists until Chiang Kai-shek himself had approved the proposal. McClure showed the proposal to key GMD leaders such as Foreign Minister T.V. Soong and General Chen Cheng, but not to Chiang himself. Wedemeyer instructed Colonel Barret to give the proposal over to the Communists but stressed the importance of conveying to the communists that the plan was not set in stone and pending the approval of the Nationalist government.⁷⁶ Colonel Barret made the trip to Yan'an to discuss this proposal – his last visit to the Communists – on December 27th. Accompanying Barret was Lt. Willis Bird, who was sent as an emissary of McClure.⁷⁷ Barret had returned to Chongqing and saw Hurley at a dinner party on the 29th but declined to mention the meeting or the military proposal to the Ambassador.

Hurley didn't find out about the meeting until he was confronted about the proposal by T.V. Soong in early January, who had learned of the proposal through Guomindang Intelligence agents posted in Yan'an.⁷⁸ Hurley was furious to discover that personnel in his embassy had made plans to cooperate with the Communists seemingly under his nose. Hurley confronted Wedemeyer about the situation, but Wedemeyer declined to charge anyone involved with particular wrongdoing or for explicitly working with the Communists. While the situation was mostly resolved without conflict, it resulted in a lot of bad blood between Wedemeyer, McClure,

⁷⁵ Ibid., 180-181.

⁷⁶ Carter, *Mission to Yanan*, 142.

⁷⁷ Buhite, *Patrick J. Hurley and American Foreign Policy*, 180.

⁷⁸ Ibid.

Hurley, and Barret and damaged their working relationships. During a cocktail party at Wedemeyer's home, Hurley, in a rage, challenged McClure to a fistfight, which Wedemeyer had to break up.⁷⁹

Unbeknownst to Colonel Barret, Lieutenant Willis Bird, the deputy chief of OSS China, entered into independent negotiations with the Chinese Communists on behalf of the OSS on the same day Barret spoke to the Communists about their proposal.⁸⁰ Wedemeyer was aware that the OSS had a presence in Yan'an, but, according to historian Carolle J. Carter, was unaware of these negotiations happening concurrently with the Dixie effort.⁸¹ Because of the seeming willingness of these various U.S. factions to work with the Communists, they were more willing to make harder demands on the embassy during their talks with Hurley, who was unwilling or unable to get concessions from the Nationalist government.

Following this, Hurley began to interpret the situation as a concerted effort to bypass him and the embassy to arm the Communists under his nose. Most of Hurley's anger and suspicion was directed at the "Old China Hands" involved in Dixie, but especially towards the foreign service officers that were associated with the now reassigned General Stilwell. In a heated argument, Hurley accused John P. Davies of being a secret communist. Davies, apparently with tears in his eyes, begged Hurley not to damage his career, to which Hurley responded by threatening to have him thrown out of the State Department altogether.⁸²

⁷⁹ Ibid., 143.

⁸⁰ Carter, *Mission to Yanan*, 144.

⁸¹ Ibid., 146.

⁸² Buhite, *Patrick J. Hurley and American Foreign Policy*, 190.

Hurley's increasingly frequent violent outbursts and lack of results drew the ire of the entire embassy. While Hurley and Wedemeyer were away at Washington in late February, the embassy in Chongqing wrote a lengthy report on the current political conditions in China and the need for a change in U.S. policy.⁸³ The report was written by Raymond Ludden and John S. Service and called for the Roosevelt to tell the Generalissimo in no uncertain terms that America was willing to take concrete steps towards arming the communists "and other suitable groups against the war in Japan."⁸⁴ The provocative letter was signed by the Charge d'affaires George Atcheson, who, fearing that Hurley would once again feel undermined by the Embassy, signed only under the condition that a single sentence be added: "The presence of General Wedemeyer in Washington as well as General Hurley should be a favorable opportunity for discussion of this matter."⁸⁵ When Hurley read the note in Chief of the Far Eastern Division John Carter Vincent's office at the State Department on March 4th, he immediately flew into a rage. He screamed at the officials present and yelled "I know who drafted that telegram: Service... I'll get that son of a bitch if it's the last thing I do!"⁸⁶ Despite the seeming significance Hurley read into the telegram, this correspondence was largely ignored by the State Department as "just another Foreign Service straw tossed into the wind and blown away," according to Kahn.⁸⁷ The Joint Chiefs-of-Staff reaffirmed the United States's policy of unconditional support for Chiang Kai-shek's regime in a meeting with Hurley and Wedemeyer on March 27th where, according to

⁸³ Ibid., 188.

⁸⁴ Kahn, *The China Hands*, 152.

⁸⁵ Ibid.

⁸⁶ Ibid., 153.

⁸⁷ Ibid., 154.

Roosevelt's personal chief of staff William D. Leahy, the conclusion was drawn that "the rebellion in China could be put down with comparatively small assistance to Chiang's central government."⁸⁸

Back in China, John S. Service embarked on his final trip to Yan'an on March 8th. He met with Mao for a long talk on March 13th, where he expressed his bewilderment at the mixed signals the Communist Party had been getting from the Americans.⁸⁹ In this meeting, Mao asked to hold talks with Roosevelt one-on-one, a plan that could not have come to fruition, as Roosevelt was in the final month of his life. Hurley had by now grown incredibly suspicious of his subordinates in China and especially Service, and demanded he return from Yan'an on March 30th. Service held one final meeting with Mao and the rest of the Communist leadership on April 1st, wherein Mao once again reaffirmed that "regardless of American action, whether or not they receive a single gun or bullet, the Communists will continue to practice cooperation in any manner possible to them."⁹⁰

With the war coming to an end with an Allied victory in sight, the U.S. set up the State-War-Navy Coordinating Committee (SWNCC) to handle questions of organization following the conflict. This body drafted the first document that clearly indicated American policy towards political matters in China, as opposed to military affairs. This document indicated for the first time since 1928 that Washington was willing to recognize a post-war government of China without Chiang as the head of state.⁹¹ The level of direction in this memorandum is in contrast to

⁸⁸ Ibid., 157.

⁸⁹ Ibid., 155.

⁹⁰ Ibid.

⁹¹ FRUS, 1945, vii, 74-49. <https://history.state.gov/historicaldocuments/frus1945v07/d48>.

the preceding few years of Washington's official policy in China that was largely defined by mixed messaging, unclear goals, and a lack of political follow-through.

Hurley's accusations of communist sympathy and internal subterfuge on the part of American diplomatic actors was extensive in the years following his recall from China. Hurley's accusations have, unfortunately, found themselves presented as fact in some scholarly accounts of the failed Mission to Yan'an.⁹² Hurley claimed that his effort at mediation between the Communists and the Nationalists were stalled because John S. Service had leaked the SWNCC document confirming that U.S. policy towards China no longer saw Chiang's leadership as a "long-term goal" to Mao directly. Mao, in turn, was more willing to "hold out" on concessions with the Nationalists because they believed that American support of the Generalissimo had been drastically weakened towards the end of the war, or so the argument goes.

There are a few problems with Hurley's claim. For one, the SWNCC document was drafted on April 3rd, 1945. John S. Service had left Yan'an for Washington on April 4th,⁹³ giving him only one day to gain access to the document and hand it over to communist leadership.⁹⁴ On June 8th, only two months after his return to the States, Service was arrested by the FBI during the *Amerasia* scandal, wherein he made the mistake of speaking to "red" journalists that had been under investigation by the FBI.⁹⁵ He had been accused of giving state

⁹² Chin-tung Liang, "Patrick Hurley: The China Mediator" (paper presented at the 18th Annual Conference of the American Association for Chinese Studies, St. Louis, November 5th, 1976), 10. The author repeats Hurley's claim that Service leaked the SWNCC document to Mao without providing evidence.

⁹³ Service returned to the States on April 12th, the same day Roosevelt died in office, adding much to the atmosphere of chaos, confusion, and suspicion.

⁹⁴ Kahn, *The China Hands*, 163.

⁹⁵ *Amerasia* was a journal on Far Eastern Affairs with an editorial board composed of left wingers and some communist party members. They were under investigation by the FBI after it was found that they held a number of classified State Department documents. Service was found to have given eight documents to a journalist reporting for *Amerasia*, though these documents were reports written by Service himself and contained only non-sensitive information that diplomats were expected to share with the press as part of their jobs.

secrets to these journalists, despite his position in the Office of Chinese Affairs requiring him to speak to journalists about the Chinese political situation regularly. I would argue that Service's implication in the *Amerasia* scandal and charge of "Conspiracy to Violate the Espionage Act" made him a prime scapegoat when Hurley needed an explanation for why the talks went as poorly as they did.⁹⁶

Service's probable lack of discretion aside, it seems clear that the accusation that he leaked state secrets directly to the communist leadership is unlikely to be true. For one, the talks between the CCP and GMD facilitated by the Americans had been stalled for months by that point. Chiang was making virtually no political concessions, as he only stood to lose political power as the Communists gained political power. Further, nearly all the Americans that had spoken to the Communist leadership prior to Wedemeyer's arrival had indicated that the U.S. supported a coalition government between the GMD and CCP, including Hurley himself, though the Genbassador would backslide on that position. The SWNCC document didn't promise anything that diplomats on the ground hadn't already put on the table, it merely indicated an incremental shift in State Department policy away from Chiang Kai-shek.

It is possible that Service's arrest during the *Amerasia* scandal was the killing blow for the American mediation effort between the Communists and the Nationalists to have any chance of success. Communist leadership saw the first American diplomat sent to speak to them

⁹⁶ It's worth noting that the charges of violating the Espionage Act didn't stick, and that the grand jury in Service's case declined to charge him. Still, the shadow of his arrest hung over the rest of his career until he was finally fired from the State Department after an unfavorable sentence from the "Loyalty Review Board" in 1951. The Loyalty Review Board was the highest government entity for determining fitness of government officials and was only supposed to consider evidence of lower bodies like the State Department's Loyalty Board, which found Service innocent of collaborating with the Chinese Communists in its own prior ruling. Going against its own procedures, the Loyalty Review Board dredged up the *Amerasia* scandal and used it to reverse the State Department's Loyalty Board's ruling. Service was fired within the day. *China Hands*, 237-238.

replaced with the uncooperative Hurley and arrested shortly after returning to the States. In a speech given on June 11th, 1945 to the Seventh National Congress of the Communist Party Mao indicated that relations were soured by Hurley's about-face on cooperation with the Communists and that the Observers were no longer welcome in Yen'an.⁹⁷ In this same speech, however, Mao leaves the door open for the Americans to reside in the "liberated areas" if their purpose was in fighting Japan, and makes a point to distinguish between "the people of the United States and their government and, secondly, within the U.S. government between the policy-makers and their subordinates."⁹⁸ By July, Mao's writings on the Americans had become much more aggressive and pointed. In a statement written on July 10th, Mao lambasts against "His Worship Patrick J. Hurley" and argues that Hurley's interests lie with Chiang Kai-shek and the maintenance of the Nationalist government over the interests of the Chinese people writ large.⁹⁹ In a piece written only two days later Mao directly states "If the Hurley policy of aiding and abetting the reactionary forces in China and antagonizing the Chinese people with their immense numbers continues unchanged, it will place a crushing burden on the government and people of the United States and plunge them into endless trouble. This point must be brought home to the people of the United States."¹⁰⁰

⁹⁷ "THE FOOLISH OLD MAN WHO REMOVED THE MOUNTAINS – June 11, 1945," Selected Works of Mao Tse-tung, Maoist Documentation Project, last modified 2004, https://www.marxists.org/reference/archive/mao/selected-works/volume-3/mswv3_26.htm.

⁹⁸ Ibid.

⁹⁹ THE HURLEY-CHIANG DUET IS A FLOP – July 10, 1945," Selected Works of Mao Tse-tung, Maoist Documentation Project, last modified 2004, https://www.marxists.org/reference/archive/mao/selected-works/volume-3/mswv3_28.htm#bm3.

¹⁰⁰ "ON THE DANGER OF THE HURLEY POLICY - July 12, 1945," Selected Works of Mao Tse-tung, Maoist Documentation Project, last modified 2004, https://www.marxists.org/reference/archive/mao/selected-works/volume-3/mswv3_29.htm.

Negotiations continued after the tumultuous Summer of Service's arrest and after the war ended in late August, but they had stalled completely. With the Japanese occupiers soon to be ran out of China, time had run out for either the Nationalists or the Communists to establish a coalition government. With the Japanese puppets governments being dismantled after the war, this left power vacuums in key regions in the East that both sides eyed for their own reclamation. Hurley continued his own mediation efforts, but since he had purged most of the China experts at the embassy, he had little direction but his own in these negotiations.

Frustrated, Hurley wrote his letter of resignation to President Truman on November 27th. In his resignation letter, Hurley lambasted against the "foreign service men [who] sided with the Chinese Communist armed party and the imperialist bloc of nations who policy it was to keep China divided against herself."¹⁰¹ Hurley repeats the phrase "imperial bloc of nations" several times in this letter and in other reports following his resignation, but its unclear who or what he is referring to. What is clear is his accusation against the foreign service officers under his command: these men were involved in a communist conspiracy to subvert his embassy's wishes and to arm the Chinese Communists without approval. In this letter, Hurley writes "these [foreign service officers] openly advised the [CCP] to decline unification of the Chinese Communist Army and the Nationalist Army unless the Chinese Communists were given control."¹⁰² This was a blatant misrepresentation of the facts as filtered through Hurley's own paranoia and misconceptions around the Chinese political situation, and an attempt to shift the blame away from himself and onto his subordinates.

¹⁰¹ Kahn, *The China Hands*, 174.

¹⁰² Ibid.

Conclusion

Could the Dixie Mission have succeeded? This is a hard question to answer because the question implies that the Mission had a clear goal by which success could have been measured. The lack of a clear goal for the Mission is a result of the systemic issues endemic to CBI in this period, which is, in a sense, the heart of the problem. The unclear dual role of the foreign service officers assigned to the Mission, the conflicted command structure of CBI that pit General Stilwell and Chiang Kai-shek against one another, and Patrick Hurley's role as "Special Presidential Envoy" invalidating the authority of established diplomats present in China were all contributing factors to America's diplomatic failure in the region. Hurley's own authority was diminished in part due to his incompetence and lack of knowledge of China, but also by the structural issues present before his arrival. If this pivotal moment in Sino-U.S. relations was jeopardized by the systemic issues of CBI, it was all but doomed by the particular individuals that were in the most significant positions of power in these diplomatic posts.

If the goal of the Mission was simply to gather intelligence on the Chinese Communist Party's military capacity and usefulness in the war against the Japanese, then we might consider it successful to some degree. It's important to remember, however, that the central government's military was in terrible condition. Eastern China had faced horrible war crimes by the Japanese, soldiers were starving and chained together, troop numbers were overreported. It was clear that changes needed to be made at CBI.

So why weren't the Communists used against the Japanese? It's not as if attempts weren't made to get the Communists and Nationalists to cooperate militarily. The confused and disorganized American diplomatic effort notwithstanding, it's likely that the CCP and GMD were never going to cooperate. There was simply no reason for Chiang Kai-shek to give up

political power to the Communists in any way that didn't totally defang the CCP. Nationalist leadership offered clearly unequal terms to the CCP that amounted to military unity but the subsumption of the Communists into the GMD as a minority voice, but these terms would have forced the Communists to give up the considerable amount of land and political power they had established. As John Davies astutely observed, there was no concept of a "loyal opposition" in Chinese politics at the time; and the dynamic, popular, proliferating CCP would likely have fought to take full control of the central government had a democratic and politically equal coalition government been established.¹⁰³ We will never know if the CCP takeover would have been through democratic means or the breakout of a Civil War with the GMD, but one imagines that the latter was inevitable.

There is a lot to be said about the particular individuals assigned to China during this pivotal moment in Sino-U.S. relations. Stilwell was incorrigible and failed to establish harmonious working relations with Chiang for years. His insistence on the Burma campaign was, in retrospect, a failure that not only wasted precious lives and CBI funding, but also soured his working relationship with Chiang on military matters. Chiang and his corrupt regime needed to be challenged, but the level of (admittedly justified) personal animosity Stilwell held for the Peanut and his brazen attempts at taking full control over the Nationalist military only made Chiang less cooperative.

Hurley as a mediator for Stilwell turned out to be a disastrous decision from Roosevelt, as well. Chiang and the rest of the GMD leadership preyed upon Hurley's ignorance of the complicated state of affairs in China and was able to effectively his own stateside popularity and Hurley as a wedge against the Communists. Hurley's designation as "special presidential envoy"

¹⁰³ Davies, *China Hand: An Autobiography*, 228.

meant that his presence in Yan'an undermined all the diplomats making progress with the Communists up to that point. Hurley inherited a particularly difficult political situation, and his own unpreparedness and inability to take criticism made him a poor pick for an embassy that already had a confused command situation.

With the benefit of hindsight, it's clear that Hurley was a barrier to the success of American foreign policy in China. But what about the number of foreign service officers on the ground that correctly assessed the tumultuous political situation? We've already looked at the fate of John Service, who was among the first to write to Washington on the political and military strength of the Communist government. His reports were ignored, and he was swiftly persecuted by the FBI for his honest reporting.

John P. Davies, John K. Emmerson, John Carter Vincent, and Colonel David Barret (among others) all found themselves punished for their roles in the Dixie Mission. These men were either demoted, denied promotions, or outright fired for being too sympathetic to the Communists. In retrospect, these men were some of the only American officials to see past the United States's fanatical devotion to Chiang Kai-shek's bankrupt regime.

It is true that these foreign service officers, especially the China Hands attached to Stilwell, didn't follow closely to procedure. This was a structural issue of the embassy, though, and reflected the dynamic and fractured political situation in China. A critic of the China Hands Buhite writes "The foreign service officers may have been correct in their assessment of the Communists... However, they can be sharply criticized for their frequent attempts at by-passing the Ambassador and their unwillingness to be strictly bound by the policy then being pursued."¹⁰⁴ As stated earlier, Hurley's predecessor at the embassy Ambassador Gauss was also

¹⁰⁴ Buite, *Patrick J. Hurley and American Foreign Policy*, 183.

frustrated by the awkward position the China Hands, but largely approved of the content of their reports. Hurley inherited the embassy and its culture and needed to be able to adapt to the level of autonomy the foreign service officers enjoyed rather than attempt to assume further control.

The relationship between the foreign service officers and the embassy wasn't the only structural issue that damaged the outcome of the diplomatic effort. The command structure of CBI gave Chiang Kai-shek and General Stilwell overlapping responsibilities and Stilwell held a disproportionate amount of power over Chiang given his control of Lend-Lease. This structure pit the two men against each other and was only exacerbated by their personality conflicts. The visits to Communists leadership were also confused. Within less than a year, Mao heard entirely different plans for military coordination from John S. Service and the foreign service officers, "Special Presidential Envoy" Patrick Hurley, and Lt. Willis Bird of the OSS. These diplomatic actors were simply not on the same page. Hurley was at his most prescient when he called the American effort "hydra-headed."

The inability for the Americans to establish a workable diplomatic relationship with the Chinese Communists had disastrous long-term effects. Since talks had gone so poorly with the Communists, America had no choice but to back the Nationalists in the Chinese Civil War, even though the intelligence that had been obtained by the Dixie Mission indicated that they were unlikely to win the Civil War. When the Communists succeeded in taking over the mainland in 1949, America held on to its irrational China Policy and recognized Chiang Kai-shek's Republic of China as the legitimate state of China and Mao Zedong's People's Republic of China as a rebellious breakaway state. As a result, America did not hold foreign relations with the People's Republic for over two decades until the Nixon Administration opened up talks with the Communist government.

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