SECRET

PARAPHRASE NOT REQUIRED

STATE DEPT MSG

From: Secretary of State sgd Acheson
To: AMCONSUL Shanghai China
Nr: 501 17 Mar 49

Dept considers following possible solutions (URTEL 850) securing continuation telegraph communications service China:

A. Move Canton base to Taipei. Two alternate base stations require duplication facilities and scarce equipment.

B. Retain status quo Canton and earmark for Taipei present Shanghai installation together with any Naval equipment there necessary to complete appropriate base Taipei. Assumption being. Shanghai can be reduced to outpost station if Communist occupation appears imminent and that heavy base equipment can be removed. Canton would assume base operations during move and until desirable Taipei take over.

C. Discontinue plans Taipei base. Insure Taipei outlet to military base Pacific such as Tokyo. Make arrangement military base Pacific take over any base operations necessary event both Shanghai and Canton close. Assumption after closing Shanghai and Canton base, radio requirements serving China would be considerably lessened. With exception of possibly one or two stations, only requirement probably blind broadcasts. A military communications base could take over this broadcast and service few remaining stations including Taipei.

Dept inclined favor last proposal. Request you consider these proposals from standpoint political factors, available facilities (transportation, equipment, personnel) and contemplated traffic channeling requirements (relay and terminal volume distribution) necessary to properly service
China as foreseen locally. Inform Dept your views and recommendations.

Code Room: Send to Amconsul, Shanghai
Repeat to: Amconsul, Canton
Amembassy, Nanking
Amconsul, Taipei

Note: 850 is CM IN 9389 (12 Mar 49) ID

ACTION: ID
INFO: AF, LOGD, PO, SIG

CM IN 1089E (19 Mar 49) DTG: 17 Mar/1pm gd/2