

Interview with Jerome K. Holloway

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

JEROME K. HOLLOWAY

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[Note: This transcript was not edited by Mr. Holloway.]

Q: This is an interview with Jerome K. Holloway, known as Jerry. This is being done in Williamsburg at a Society of Historians of American Foreign Relations Conference. Jerry is, you might say, a target of opportunity. We're going to discuss mainly his time in China in the early post-war years.

Jerry, give a little background, a little about your education and how you became attracted to the Foreign Service. When were you born, by the way?

HOLLOWAY: 1923. And I was a naval officer in World War II. Actually, the Foreign Service came up—after the war I was in command of an LST going—

Q: LST being for those who don't know, "large slow target". [Laughter]

HOLLOWAY: Large slow target. I had been on one that was sunk at Okinawa.

Q: Landing ship tank.

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HOLLOWAY: Yes, 326 feet. And we were going down to Panama, and I was trying to refuel some minesweepers, YMSs, yard minesweepers, without any proper fueling gear, and it was a very frustrating day. I went down and looked at my mail, which had been piling up in San Francisco, and there was the application to take the Foreign Service examination, and I thought anything's better than fueling minesweepers.

So I mailed the application from Panama, and that's how I got in.

Q: Had you had an interest in this? Where did you get your education?

HOLLOWAY: I hadn't finished college when war came along, I was at Catholic University. And I was interested in diplomatic history. I'd had a very good—

Q: And you were from the Washington area, so you kind of knew what it was about rather than somebody from Kiakok or someplace?

HOLLOWAY: But I had planned to go to law school, in fact. I had not intended to go into the Foreign Service at all.

Q: How did the thing proceed then?

HOLLOWAY: Well, I passed the examination and was appointed. I went back to college and got a degree, because I had left before, during the war. And I was appointed in June of '47, and assigned my first post at Rangoon in August.

Q: Could you give us a little feeling for the people? Was there a group with you that came in?

HOLLOWAY: Yes.

Q: Could you give a little feel for what type of people were these who were coming into our early post-war Foreign Service?

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HOLLOWAY: I was, frankly, extremely impressed, and wondered how I had been lucky enough to get into that fast company. There were extremely bright fellows, all had been in the military. In fact, the examination was only give in '46 to those who had been in the military. I don't think it had been a conscience effort to get a cross-section, but I think it was a cross-section of the United States. Probably a predominance of Ivy Leaguers.

Q: But it was not an old-boy group, would you say?

HOLLOWAY: No.

Q: There's nothing like the military experience, I think. I mean, you go off in your different ways and you don't come back the same person you were.

HOLLOWAY: That's right. No, it was a very heterogeneous group and it was actually fast company.

Q: What sort of training did you get before you went out?

HOLLOWAY: Extremely sketchy. The Foreign Service Institute was in its infancy. And they really hadn't thought out the junior officer program. Years later, I volunteered to take over the junior officer program, but I think I got assigned to German affairs instead. [Laughter] But for that reason I thought that the amount of training that we got, the amount of background that we got, was sketchy and hardly adequate. In many cases, my fellow classmates knew more about the subject than the fellow who was up there talking to us.

Q: Well, in a sense, it was an amusing military transfer, sort of like a "repo-depot", where they were throwing infantry replacements into the breach to fill it up.

HOLLOWAY: We obviously were all going to separate posts, and we were just a pool from which junior officers were to be drawn and sent out to their first post. Which, in itself, is not

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a bad way of doing it. You know, “makee learn,” as they say in China. It's not a bad way of doing it, get out there and get your feet wet.

Q: Your first post was what, Rangoon?

HOLLOWAY: Rangoon.

Q: You served there from when to when?

HOLLOWAY: From the late summer of '47 until the spring of '49, when I went to China.

Q: What was the situation in Rangoon when you got there?

HOLLOWAY: Well, it was still a British colony. Independence had been promised, and the agreement on it was signed in the summer of '47 between Prime Minister Attlee and U Nu—Thakin Nu as he was called then—who was the successor of Aung San. The week before I was assigned to Rangoon, the prime minister and the entire cabinet were assassinated.

Q: Oh, my God. You mean, sort of a local thing?

HOLLOWAY: Well, it was a power struggle between those who had exercised what political power the Burmese did exercise in pre-war Burma and those who came after. Aung San and his group had originally been allies of the Japanese and then they turned on the Japanese. The assassination, I have since discovered in reading the papers of General Sir Hubert Ranz, who was the last British Governor of Burma, his papers are in the India library on Black Flyers Road in London, that British officers had sold the guns to the group that did the assassination. So that the Burmese xenophobia was not without a certain amount of foundation.

Q: What were American interests in Burma at the time?

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HOLLOWAY: As far as I could piece it out, there were only two. One was, we wanted to see Burma independent. If you recall, decolonization was a large part of our World War II and post-World War II policy. And we even asked the British, at one time, “Do you really intend to go through with this?” That was I guess our first interest. Our second interest was already, I can remember people saying “Well, we don't want a communist state on the Indian Ocean.” I never could quite understand—

Q: I mean, that was sort of the word that went around.

HOLLOWAY: The distressing thing was that we really did have no policy, and we followed a personnel policy that made us suspicious to the Burmese. You've undoubtedly read that one of the big complaints which diplomatic historians correctly make about the Foreign Service is that when the era of decolonization came in, we had no one who was trained in languages or the cultures, because these posts had all been outposts of the European nations.

Q: And Burma was a particularly handy one because it was English-speaking.

HOLLOWAY: Saigon and Hanoi were French-speaking. And Batavia was Dutch-speaking, Djakarta.

So what we did was try to assign to Burma, except for another young officer and I, he had been a paratrooper, first lieutenant, they tried to find people who had some Burmese background. Well, this meant people who had been associated with the missionaries, or it meant, in the case of one officer, he had been an Eagle squadron pilot in the RAF, an American flying for the RAF, who they later transferred to our Air Force, and served in Burma. Another officer had been a colonel, or lieutenant colonel, who had developed a great affinity for one of the tribal groups in northern Burma. One of the USIS officers was the widow of a missionary. Our number-one economic and political officer had been a

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missionary teacher at Judson College, which is an American Baptist mission college, part of Rangoon University.

Q: Well, you're describing to me what I consider a remarkable staff, knowing the Foreign Service personnel system. I mean, most of our posts anywhere just don't have that effort. Why this effort for Burma?

HOLLOWAY: Well, I suppose, one of the reasons, I suspect, was that the people back on the desks, one of them Ed Dahl had been a business man in Burma before the war, and the other one was John Katy of Ohio University, of course one of the most eminent scholars on Burma. Unfortunately, it was a disaster.

Q: Really?

HOLLOWAY: These people were associated with the Burmese of the pre-war power elite, and there were very few of them. The group that had taken over, Aung San, and then his successor Thakin Nu, were young, radical. As I said, they had sided with the Japanese and then had switched back to the British. They looked upon this staff as a bunch of Trojan horses. These were colonialists. These were identified with the old order.

And the place where it came up most ludicrously was after I had left. The Burmese had nationalized the Irrawaddy Water Transport; that was, they ran the ships up and down the Irrawaddy River and the Rangoon River. And the question of compensation—the British owners wanted compensation. And in the compensation hearings, the British were sort of quoting our expert on some things he had written before the war on the Irrawaddy transport thing. We, in effect, became involved, to the Burmese mind, in the politics of the tribes. As you know, revolts broke out in Burma within three months of independence, and they're still going on today, forty years later, the same revolts are going on. And it seemed to the Burmese that we were dabbling in their affairs. We weren't!

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Q: Well, I suppose what you're doing is you're pointing out a problem that often the expert, or the person who knows an area, becomes fascinated with certain groups or certain things and they tend, even if they're under the, now dubbed the Foreign Service officer, they keep going. And I think tribal politics always gets—it's very easy to get enmeshed in this and I mean, in a way we did this in Vietnam, where many of our people got entranced with the Montagnards and also in Laos.

HOLLOWAY: This, for the same reason, the British were sort of entranced by the Kachins, the Americans by the Karens. They were better fighters than the Burmese, they were mountain people, much more hardy. There's a whole difference between the military ethos of a rice-growing culture and that of a mountain tribe.

And also they became converts to Christianity. Let's face it, that was a large factor. But the point was that I saw—and still think I see—as far as the Burmese were concerned, we looked like we were setting up an embassy that was going to be mainly interested in Karens and Kachins and was going to be a divisive force in the country.

Q: Well, of course, I know nothing about Burmese politics, but I assume the rice-growing city folk looked down upon the tribal people anyway, and so this is the equivalent of the 1920s group coming into Washington and working with the blacks instead of the whites or something.

HOLLOWAY: The British favored the tribal groups, and they'd also protected them from the Burmese. The Burmese themselves, or the Burmans, to give them their correct title, they realized that they were taking more into their independent country than they should, that they probably could not have—it was called the union of Burma, meaning that all these tribal groups were encompassed in it, but the antipathy between the tribal groups and the Burmans was so great that many of the Burmese leaders themselves had second thoughts. But, and this is true, very true, in Africa, in a decolonization situation, you have to

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get back the colonial boundaries. In other words, you cannot give up anything. If the British had these boundaries, then damn it all, these were the boundaries of—

Q: But we're still following this policy in Africa, absolutely refusing to support various separatist movements, despite pressures from Europe and from other places.

HOLLOWAY: The one thing that's sacrosanct in Africa are those pre-war boundaries.

Q: Because otherwise you're talking about chaos.

HOLLOWAY: Nobody did a thing about Idi Amin until he crossed one of those boundaries.

Q: Yes. Well, who was the ambassador and what was his operating style?

HOLLOWAY: Well, here again this was unfortunate. He was a very astute old veteran of the consular corps, J. Klahr Huddle. He was away for the first thirteen months of his incumbency on the Kashmir Commission.

Q: This was trying to resolve the Kashmir dispute, which is still going between Pakistan and India.

HOLLOWAY: So he had no, he really had no—

Q: Well, then, your deputy chief of mission—

HOLLOWAY: He had spent the war in Cape Town and Durban, he had no experience in Southeast Asia. Or in Asia, period. Huddle saw the problems very clearly. For instance, the National Geographic Society wanted to photograph an eclipse down in the Tenasserim Peninsula, Mergui. It's very south, a long, thin peninsula going down the side of the Siam. And the foreign office gave its permission. Then it was withdrawn. I think that they expected we were putting some CIA people into the group.

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Huddle very quickly organized a luncheon with the Rangoon University people and got the thing changed into a joint Rangoon University-National Geographic expedition, and the Burmese said, "Fine." He knew his way around.

Q: What was your assignment?

HOLLOWAY: Almost anything. I did the administrative work, I did the commercial work, I did the consular work. What we were basically trying to do there, right frankly, was to survive. We were buying property, because we had blocked rupees from war-surplus things, and we were trying to buy a new office, buy housing. Rangoon was not a very comfortable place after the war.

Q: No, I don't imagine it was.

HOLLOWAY: And the rate of sickness was very high.

Oh, I might mention we had one military interest, and that was in what was then called the Army Air Transport Command wanted landing rights at Thingangyun Airport, which is the airport outside of Rangoon, for their round-the-world service. And the British had granted us those rights, and the Burmese had agreed to honor them. In the event they weren't used very much at all.

Q: Did you see Burma getting ready for this neutralist, isolationist turn?

HOLLOWAY: Not really. I think they were proud of their independence, they were proud of their sovereignty. They saw themselves as participating in world affairs in a minor way. But once the trouble started with the tribal groups—and as I said, they're going on forty years later—they began to withdraw. They had no money to carry out really an active diplomatic policy.

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And of course, after I left, the crowning blow was our assistance to the Chinese Nationalists who came into Burma. This was direct meddling. And these two Chinese divisions couldn't handle the Chinese Communists, but they could handle the Burmese Army.

Q: These were two divisions that retreated after the collapse of the Chiang Kai-shek regime and moved into Burma, where they stayed after the war.

HOLLOWAY: Years. Some are still there, in the opium business.

Q: Yes, yes.

HOLLOWAY: That's when they cut off. The Burmese said they would take no more aid from us. They were always slightly xenophobic.

Q: How did you find dealing with the Burmese yourself?

HOLLOWAY: They're a very charming people. And it's a country that one British writer once said where it's always 3:00 on a Saturday afternoon. There's no great pressure.

Q: Now we might move to your next assignment, which was Shanghai. This was when?

HOLLOWAY: This was in the spring of '49.

Q: How did you feel about this?

HOLLOWAY: Well, I was, frankly, exhilarated. Rangoon wasn't really all that exciting a post, and here I was being thrown into one of the world's greatest revolutions.

Q: Could you describe what the situation was at the point when you set foot in China?

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HOLLOWAY: It was collapsing! The Nationalists were retreating everywhere. There was some talk of making a stand at the Yangtze, or south of the Yangtze. But as we later found out, the communists crossed the Yangtze with remarkably light losses.

There was, as you remember, the fight back at home was the China lobby. The Republicans, having lost the '48 election, decided to win the Chinese revolution instead. And there was tremendous pressure on the administration to do something to save the Chinese Nationalists.

Q: Well, what was our consul general? Who was running it? What was the staffing like?

HOLLOWAY: Well, the consul general was John Cabot, who, of course, had been deputy chief of mission in Yugoslavia. And as you probably know, our long-range policy, which was a very astute one, was to hope that Mao became a Tito, which, of course, he became a Tito in spades eventually. So we were right. "We," I mean the United States was right.

Q: Was this feeling transmitted to you and others? I mean, was he talking to you about Yugoslavia, or did you have much contact with him?

HOLLOWAY: No, relatively little contact with him. No, I don't ever recall. I was so far down the totem pole that nobody, I guess, paid much attention to me.

Q: How big was our staff?

HOLLOWAY: Oh, it was huge. We had had one evacuation, but I think there were still over a hundred Americans.

Q: What were you doing?

HOLLOWAY: I was doing consular work at the first part. I was pulled into economic work later. But the question was, what's going to happen? Here's Shanghai, one of the world's largest cities, a very complex city. It was the biggest city in the communist world, bigger

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than Moscow. How was this going to be run by these people who had come out of caves in the northwest of China?

I think we all made a mistake, the old China hands in particular, in thinking that they couldn't run this, that they weren't sophisticated enough. Fortunately for them, there was a very, very low level of economic activity. Because the Nationalists claimed to have mined the Yangtze. No one ever found any of these mines. And then, of course, they had a blockade, or port closing as they called it—self-blockade, I guess you would call it in international law.

So that economic activity slowed, and this made, I think, Shanghai easier to run for the communists. They had many, many handicaps. They had a bias against cities, as you probably know. They'd been out in the boondocks for ten years, and they thought cities were sinkholes and cesspools.

Q: Of course, Shanghai was the sinkhole of sinkholes. I mean, we still think of it in those terms. [Laughter]

HOLLOWAY: And remember, extraterritoriality had only been given up in '43, and it was only given up because the Japanese had thrown us all out of those cities! [Laughter]

But the general level of the competence of the communists, heck, was higher than we expected. It was also a great relief once the city was captured, because there was some law and order returned. The last days of the Nationalists were pretty chaotic.

Q: What were you doing the last days of the Nationalists?

HOLLOWAY: Basically, putting signs up on American property, saying in Chinese and English that this was an American-owned house. We were looking at it as a matter of protecting American interests in China, which, of course, were extensive in Shanghai. Americans owned houses, businesses, and banks.

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Q: Had these private Americans all left by that time?

HOLLOWAY: A great many had, but a great many had stayed. This was, of course, the big question, where we split with the British and where the split was to continue for years. Do you stay and try to do business with these people, or do you declare them beyond the pale and get out?

The British, who had never gotten along with the Nationalists as well as we had, they thought the communists might work out. We thought otherwise. But as you know, we were left there after the thing, after the capture, with the hope that there might be some eventual development.

Q: What sort of instructions were you getting? In the first place, we had rather strict immigration controls. So were we trying to do anything to help Chinese Nationalists get out and go to the States, or was this pretty much just—

HOLLOWAY: No, but the main effort in the visa side was with Russians and particularly Central European—Germans, Austrians, Czechs, most of whom were Jewish—who had come to China in the '30s, and now, of course, wanted out. This was the main effort.

Q: Were you under any standing instructions to be more liberal? Because our rules were still pretty stringent.

HOLLOWAY: No, I think the American Joint Jewish Distribution Committee was very active, and I think they managed to put a little pressure on Washington, and Washington would then instruct us to issue this visa or that visa. But as far as I could tell, not having anything to do with the visa business—thank God!—it was a very, somewhat poignant—as many of these people had just escaped with their lives from Hitler's Germany, and here they were about to be thrown back into the, under a Communist regime. It was not a very happy situation.

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Q: What about the instructions? I mean, obviously at the time when the Nationalists were fleeing, the communists were coming in. Did the consul general call you together and say, "All right, batten down the hatches, here we go!" or "We're going to do this"? How did the consulate face this situation?

HOLLOWAY: Well, I think we tried to put a good business-as-usual face on it as we could. Except for one thing. And that was, we were not to, in effect, recognize the Chinese communists by any official act. And they, by their token, said "Well, you are no longer vice consuls or consuls. You are ex-vice consuls, or ex-consuls. You have no authority." Of course, we never were accredited to any government; we were still accredited to the Nationalist government.

Now, this kind of situation can go on, as the British did in Taiwan. They kept a consulate open there for ten years after they had opened an embassy in Peking on the grounds of the consul is assigned to a provincial authority, not to national authorities. So that had there been any political will to reach an agreement with the Chinese communists, we had plenty of time. Shanghai fell in May—May 24th.

Q: Of 1949.

HOLLOWAY: '49. And the People's Republic was proclaimed on October 1, '49. So we had plenty of time to make up our minds whether we wanted to recognize them. We chose not to, as you know; we were going to let the dust settle, as Dean Acheson said. It was all, of course, tied up with the China lobby politics in the United States, and it became politically impossible for Truman to take that step.

Q: Did you get any feel for this battle back in the States?

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HOLLOWAY: No. We saw very few newspapers. The English-language papers in China were very careful about what they printed. We relied on the Voice of America and the BBC. But I don't think we had any idea about the virulence of the China lobby fight.

Q: Although you officially weren't there, what was your view, as you were going through the streets of Shanghai?

HOLLOWAY: Well, first of all, as I said, a certain amount of relief that law and order had been restored. The Chinese Communist soldiers never bothered anyone. They occasionally were helpful. I can remember being out New Year's Eve with a Russian girl, and we were both in evening dress. We went to a party at the British Country Club. And afterwards she wanted to say hello to her father, who was out at the Soviet Club. And we took a pedicab out there. And when we were leaving—it was about 2:00 in the morning—the fellow was obviously—the girl spoke Chinese, I didn't—the fellow was obviously, literally going to take us for a ride. And a communist soldier came over and told him, “Look, you take these people where they want to go, and no nonsense.” Now, maybe he thought we were Soviets coming out of the Soviet Club. But there were many incidents like that. They were there, they were country boys. But they were told to keep law and order and they did.

Q: Consulates deal with the local government, and at this point, of course, the local government was communist.

HOLLOWAY: We, at that time, required consular invoices for goods shipped to the United States. That was one of my jobs before I was put in the economic section. Well, the communists had taken a certain amount of tungsten and hair and Tung oil and all that, and they wanted to fulfill the old Nationalist contracts, state trading companies. Well, they sent somebody over to get a consular invoice on this shipment. Well, they paid the two dollars and fifty cents, and we put the consular invoice on it.

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Q: You weren't going under any sort of harassment, to put pressure on you, at least at the beginning?

HOLLOWAY: Not at that time. Now, there were problems. We had some labor problems. The Navy had not paid off some Sikh guards, and they locked us in the consulate one day. But that was eventually solved.

It got a little dicey when the Nationalists started air raids on Shanghai. These were American planes, American bombs, American gasoline. They were B-24s; that's a fairly potent plane. And the Nationalist Air Force, which had never shown any capacity for accurate bombing in the fighting, suddenly became crack bombers, bombardiers! They hit the—

Q: Was there a suspicion that this was somebody else flying the planes? Were they?

HOLLOWAY: No. I'm fairly convinced that they were not. Just the Nationalist Air Force chose to—not to make a pun—to be above the fight, as far as the communists were concerned. But they were certainly—they hit the American power plant in Shanghai. American Foreign Power had a plant at Riverside, a big plant. They knocked out the French power plant, which meant there was no light or heat in Shanghai in the winter. That, I think, had to create a problem.

In October of '49, we had not responded to Mao's call for recognition. And in retrospect, that was a mistake.

Q: If you had Americans there and all, somebody must have gotten in jail. I'm speaking as an old consular man.

R. HOLLOWAY: Yeah, one of our vice consuls, Bill Olive. The day of the Chinese Communist Victory Parade, which I think was July 7, '49. Very impressive parade. He got arrested for going down a one-way street. There was some altercation. It wasn't altogether

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clear that he acted with all the discretion he might have, and they threw him in the poky and roughed him up. But then they released him the next day.

Q: So there wasn't a matter of someone being in jail, and the consul general, or somebody, have to go to the authorities, "I want access to him or her," or something like that?

HOLLOWAY: No, we had no problems like that. As you know, the Nationalist blockade was run by Isbrandtsen. American ships were coming into Shanghai. Isbrandtsen was running the Flying Cloud—

Q: Isbrandtsen being a shipping line?

HOLLOWAY: A shipping line, yes. Sir John Franklin, the Flying Independence. And these were fired on and hit and put on fire by the Chinese Nationalists outside of—more outside of Shanghai. And our Navy would do nothing to help them. Isbrandtsen and Acheson got into a newspaper war, taking ads out, insulting each other. And in the end, Acheson got the Coast Guard to, in effect, say that the masters were hazarding their ships by going into Shanghai, and if they went in they might lose their ticket. And the Department said quite—it's now been published in Foreign Relations—that we would take no action which would lessen the effect of the Nationalist blockade of Shanghai. So we were taking sides by then.

Q: Things were beginning to develop. How did this play out in Shanghai and on the consulate there? We were helping the Nationalists and we were not recognizing this.

HOLLOWAY: Well, the final act came when the Peking authorities attempted to requisition French, British, Dutch and American property, which had been turned over as a consequence of the Boxer conventions at the turn of the century, for military barracks. And they wanted them back. We claimed they were American property and that they were confiscating American government property. And if they were going to do this, we were going to withdraw our consuls from China. Now, frankly, the political sophistication that

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came up with that kind of an argument is pretty low. The British, Dutch, and French figured a way to finesse it. We chose to make a stand on that issue, and Acheson was a lawyer, and he fought a good legal case. But it was a very bad political case. On the other hand, given our backing of the Nationalists, it was obvious there was nothing for us to do.

Q: Were you feeling that what you were doing was drying up? I mean, the invoices were going down?

HOLLOWAY: No, all that was ended. That was when I was switched to the economic section and then it became very interesting watching what the Chinese Communists were doing, particularly their attempts to stop inflation.

Q: How would you do that?

HOLLOWAY: You had access to all the commodity reports. We had our Chinese staff with all the newspapers being published. Prices were there. We were interpreting the Chinese Communists regulations for banking, for carrying on of export-import business. It was a whole new game, and you had to stay up with it. For instance, they introduced something called the parity deposit unit, which is sort of a commodity dollar. And they linked wages to an interest rate, to the price of four commodities: rice, cloth, coal, and firewood—briquettes. And this worked. I later found out that the commodity dollar had been advanced as an idea in the United States, back in the Depression. But where the Chinese Communists got the idea, I don't know. The Hungarians had a tax that at one time that did this. But their ability to control inflation was impressive.

Q: Obviously, you were reporting on sort of factual things.

HOLLOWAY: They allowed us to keep our radio going. We had two Navy chiefs and a warrant officer running our radio. We had no problem communication-wise.

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Q: Those who were reporting on political developments, were they beginning to get worried about the problem that later became to the old China hands, "Who lost China", and all that? I mean, were you feeling any pressure? Was there any, "I'm not going to report this"?

HOLLOWAY: Not that I know of, not that I was aware of. I was very impressed with the Chinese-language officers in our political section.

Q: Who were they?

HOLLOWAY: Sabin Chase was the senior one, who had been around for a long time in China. Doug Forman was one of the younger officers. These fellows were very smart. And at that time, I don't think they felt any pressures whatsoever.

Q: The consular general as a unit, did you get called together from time to time to sort of brief you in where we're going, and what you're doing?

HOLLOWAY: What happened was that, in July-August, Leighton Stewart was transferred back. He was the ambassador. At that time we had a large safety evacuation, and the only staff that was left, I think, was seven American officers. And that was the group that was to ride it out. So by that time, we were down to the bare bones. Walter McConaughy became consul general. He had been the deputy to John Cabot. And there were just very few officers left.

Q: You were one of those?

HOLLOWAY: I was one of those who stayed, yes.

Q: Well, had the Angus Ward thing happened up at Mukden?

HOLLOWAY: Mukden, yes.

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Q: I think it was the tradition then was to get rid of all the married men, wasn't it, in times of trouble? I know, as an aside, when all hell broke loose in Palestine, when it broke, they got all the married officers out and sent all the single officers in. I mean, that's how we dealt with things in those days, and I guess you were—

HOLLOWAY: I was single.

Q: Or at least that, or you had a girlfriend on the side [Laughter]. So this was one reason why you were—

HOLLOWAY: I think that was one of the reasons I was sent there and one of the reasons I was kept there. I mean, I was cheap, I was expendable.

Q: This was very much an attitude at the time. A married man was a very movable commodity. Did you sort of keep a bag packed at that time, with the idea of, "They're going to do it us at some point"?

HOLLOWAY: All of the old China hands kept telling us, "It's going to be just like it was under the Japanese when Pearl Harbor came along. They're going to scoop you all up in the bag and you're going to be in the wardroom jail," or something like that. And everybody kept one bag that he could grab at the last moment.

Q: But you were continuing reporting?

HOLLOWAY: Continued reporting. We were then working very hard on the question of American businessmen who wanted to get out. And of course, as you know, the Communists squeezed them in some very, very elegant ways with taxes, or wage claims, or alleged pre-war deposits. Labor troubles. I found myself going around under instructions almost every day, to go see the fellow from Northwest Airlines and the fellow from Chase Bank, and what was the situation.

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Q: Well, were we telling them to get the hell out?

HOLLOWAY: We never really did until we were ordered out. Then we really felt that they should go.

Q: When were you ordered out?

HOLLOWAY: In February of '50, We didn't get out until April or May of '50.

Q: But this was not the Chinese telling you to go. This was Washington.

HOLLOWAY: No, this was the State Department withdrawing us. And of course, we couldn't get out through Shanghai. We had to go up through Tientsin.

Q: Could you travel around anywhere prior to this?

HOLLOWAY: No.

Q: How about Shanghai?

HOLLOWAY: There were no restrictions on that. I had no problems with that. But you couldn't take the train to Hong Kong for the weekend or anything like that.

Q: Did you have contact yourself with Chinese officials? I mean, one can survive quite well without this in a way for a long time, and most work of consulates, although it's a credit to them, we really operate with the business community, and with the individuals.

HOLLOWAY: Individuals, the missionaries, business community. We didn't have any tourists, thank God. We had a few newspapermen and, of course we had the resident American business community.

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Q: How about the missionaries? What was your impression of the American missionaries and how did you all deal with them?

HOLLOWAY: You have to distinguish in the missionary movement between the headquarters group, let's say, in Shanghai, and the missionaries out in the field. And they were two different breeds of cats. The missionaries in Shanghai, the headquarters, were pretty sophisticated, politically astute people, who were well aware of the power they had behind them in Washington. The missionaries in the field tended to be good-hearted, somewhat naive, but certainly men of good will, who were genuinely shocked. I talked to a lot of them when they came into Shanghai, after they lost their churches, and the Chinese had turned on them. They were quite shocked. I remember one doctor saying he was going back and go help, go to work for the UMW, the United Mine Workers. They needed doctors. "I'll treat Americans now. I won't treat anymore Chinese." And there was a profound disillusionment.

The Catholics were a little different. I knew Bishop Walsh, who, of course, stayed for twenty-one years.

Q: Yes. In jail, mostly.

HOLLOWAY: They had no families, of course, and they looked upon it as just a cross to bear, if I could put it that way.

Q: Were we trying to get the missionaries out?

HOLLOWAY: Yes. But after we were leaving, we pointed out that we could no longer protect them. Not that we could protect them very much when we were there. And we advised Americans to leave China. Obviously, some businessmen stayed. And in the case of one banker, Bill Orchard of American Express, he stayed for three or four years before he could get out. But Chase and National City kept on functioning to a limited extent. Many

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of these men, of course, this was their lives. They didn't have an institution like the State Department to go back to which would send you out to another job.

Q: We are a movable thing, so we can observe these things with a certain amount of objectivity. How did it come about that you left then?

HOLLOWAY: Well, we wanted to bring a ship into Shanghai. There were all sorts of problems about that, because, again, the Nationalist blockade, which had by that time been dissipated somewhat by the appearance, frankly, of Soviet fighter planes, and had chased off the Nationalist bombers, which was a great relief. This is something that's happened afterward. I mean, the Soviets have had to help their allies out with fighter planes in more than one place. And pilots. We were trying to bring the General Gordon of the American President Lines into Shanghai, and the State Department was going to charter it and take everybody out. And they just never could get permission from the Communists, or could solve the problem of whether the harbor was mined. It wasn't. The Chinese Nationalists had used this as a ploy in Changsha in 1930. They had said that they had mined the Yangtze. So we took the train to Tientsin, and got out through Tientsin.

Q: But in this time you were waiting, you weren't under a restraint or anything?

HOLLOWAY: No.

Q: It was just a move?

HOLLOWAY: Until the last couple of days, we had our radio and our coding facilities.

Q: Were you getting instructions that were trickling down to you from the Department of State about how—was it kind of business as usual and you were left on your own? Or was there any attempt to sort of fine-tune from the State Department what we were doing there?

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HOLLOWAY: No. I got the impression—again, I was very low on the totem pole—and the impression was confirmed when I got back to Washington, the State Department in the China desk was in a state of shock, and they just didn't know what to do. They had people in a half a dozen posts in China, and they just had to get them out. The amount of guidance they were getting from the Secretary or the President was minimal, because the administration was under fairly heavy fire from the China lobby.

Q: What was your attitude towards the situation in China when you left? I mean, personally.

HOLLOWAY: My own personal view was that this was one of the great events of history. I mean, good, bad, or indifferent, whatever it's outcome was going to be, I would have liked to have stayed around a little longer and watched it. [Laughter]

Q: Were some of the other people feeling somewhat the same way? I mean, glad to get out or really wanting to stay around and see what had happened?

HOLLOWAY: I think the younger officers would just as soon stayed around to see what happened. Obviously, the older, more mature fellow with family interests or career interests, something like that, they thought it was probably time to get out. It probably was time to get out! After all, the Korean War started in June of '50.

Q: That's right.

HOLLOWAY: Had we still been there then, we'd have been there until—

Q: A long, long time.

HOLLOWAY: A long, long time.

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Q: Jerry, when you left Shanghai, what was your reception back in the Department and where did you go?

HOLLOWAY: Well, obviously the people in Chinese affairs, who didn't seem particularly interested in my experiences, as I said, I had a feeling that they were kind of shattered.

Q: This was 1950?

HOLLOWAY: This is just before the Korean War. And I was ticketed to go to Hong Kong, to continue my China reporting, the economic reporting, which I'd been doing, and was told by a senior officer in personnel that it might not be a bad idea if I gave China a slip for the next couple of years. He thought it might be uncomfortable. Of course, he was right. He suggested I go to Europe and pick up another language and then take a look at the situation, which is precisely what I did.

I went to Bremen for two years as a political officer, learned German, developed a liking for the country and its history, and went on, served in German affairs in the Department.

Q: Well, back to his advice, was this sparked by the McCarthy?

HOLLOWAY: Yes.

Q: I mean, very definitely?

HOLLOWAY: I'm sure this is what he had in mind.

Q: Did you feel this?

HOLLOWAY: No.

Q: You hadn't felt it, but this was just a word of warning?

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HOLLOWAY: Again, I was just small fry. I had no idea of what was to come. Later on it did hit me in a strange way. But what I did was took his advice, had two nice years in Europe, and then went to Hong Kong and stayed five years.

Q: But what you're talking about is an institutional response to a situation. In other words, here's a senior officer telling a junior officer, who probably has no particular stake, but saying it's best for some of our officers to get away, get themselves somewhat removed from the situation, rather than trying to develop an expertise. This is saying to cool it for a while.

HOLLOWAY: I think that that's what he was telling me. As I said, I felt no pressure on this at all. I was never interviewed by security or anything like that. This is spring of '50. The loyalty program had been in existence since '46 or '47, the Truman program, and that had been no problem. When I was in Hong Kong, of course, that was the years of the Dulles administration.

Q: I would like now to skip Germany.

HOLLOWAY: Yeah, you've got thousands of people who have served in Germany.

Q: Yes. What was the situation? You went to Hong Kong in 1952?

HOLLOWAY: Yes.

Q: What were you doing and what was the situation?

HOLLOWAY: The situation was that you had a China reporting unit in the consulate general in Hong Kong. It was, for the most part, made up of people who had served in China and in Communist China. I had the highest respect for the fellows who were in it. They were great fellows. It was about my best post. We played tennis, golf, squash, hiking. Beer was cheap. It was just—everything was cheap. Hong Kong was a bit confining, but

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not all that confining. And everyone seemed to me to have a real interest in China and what was going on in China. And it was a very professional group. Q: Who was the consul general then?

HOLLOWAY: When I first went, it was Julian Harrington. And he was succeeded by Everett Drumright. We talked about Drumright. As I said, the China reporting, I remember a fellow named Dick McCarthy started the translations of the China press, which had become an essential tool for anyone doing scholarship or research on Communist China. We had certain jobs to do. We were running the export control program on China. One officer, Bob Eller, was following the Americans who were trapped in China, were trying to get out. There were certain sub-specialties, but by and large, we were focused on—we were the eyes and ears of the government for China.

Q: What were you doing?

HOLLOWAY: I was doing economic work, which I had been doing in Shanghai. It was during that period that the security apparatus seemed to me to be operating.

Q: You're speaking about the American concern about anybody having dealt with China, whether they were a security risk?

HOLLOWAY: That's right. I'll show you the sort of clumsy thing they did. The security officer would come around and start asking me about a fellow I'd served with in Shanghai, and what did he do in Shanghai and all that sort of thing. And then the next day, he'd go to that fellow, who was working in say the political section, and say, "Now, you served with Jerry Holloway in Shanghai. What did he do there? What was his ideology? Did he have any Chinese girlfriends or anything like that?" It was very clumsy, but enough to make things uneasy. And there were some incidents that were not very pretty.

Q: Can you describe any?

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HOLLOWAY: Well, one fellow was asked to take a lie-detector test when he went back on leave, although I think that was the military that insisted on that. There seemed to be—I wouldn't say an attempt to set us against each other, but Big Brother was looking over your shoulder in a way that he didn't used to. See, I was there in '52 to '57, and that was a bad period.

In the end, we were all cleared, no problem or anything like that, but it left a sour taste.

Q: You were obviously all part of the reporting unit, both on the economic side, which is yours, but on the political side. Did you have any feeling that you'd better make these reports, you had to be very careful about how you wrote these reports so it didn't sound like "Gee, they've come up with a good new idea in economics"? This wouldn't sit very well in Washington.

HOLLOWAY: Don't say that they're doing too well.

Q: I mean this was part of the ethos, or whatever it is.

HOLLOWAY: And for instance, there was this organization called ECAFA, the Economic Commission for Asia and the Far East, which was a U.N. subsidiary. It puts out an annual economic report on Asia. The State Department arranged so that we had a veto. We went over it in draft, to take out anything too favorable to the People's Republic. As you know, our policy was, as Walter Robertson, the assistant secretary expressed it, to keep pressure on the mainland in the hope that a revolt would ensue there, which we or the Nationalists could take advantage. Dulles spoke quite openly. You can read it in Ridgeway's memoirs, of how to invade China through Hainan, up thorough Korea. This was part of the keeping the Li Mi and the Chinese Nationalist Divisions in Burma resupplied.

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It was our aim—we were hoping for the overthrow of the Chinese Communist government, and to suggest that this government was fairly permanent was to fly in the face of policy.

Q: So although it wasn't explicit—it was implicit—you had the feeling that you were watching your reporting?

HOLLOWAY: It was easier on the economic side. On the political side, I think you weren't going to do any speculative pieces.

Q: One can read, as we say in the United States, the tea leaves. [Laughter]

HOLLOWAY: Yes.

Q: Despite this, did you find the morale good? Was it an intellectually lively group of people you were dealing with?

HOLLOWAY: Yes. One of the problems in Hong Kong was that the consular section was under a tremendous workload. You had 25,000 Chinese claiming American citizenship, that they had to deal with. And you had the refugee relief program. Those people really did work very, very hard, and without, as you know from consular service, not a great deal of thanks. It was a tough job, and it sort of divided the consular general into two sections: the consular section with this horrendous workload, and the political and economic, which was a fairly nice job.

Q: Almost an ivory-tower type of situation, as compared to the working stiffs. I might add for the record, that these 25,000 Chinese claiming American citizenship, many of these were fraudulent. They were fake documents, and they were coming from various towns in and around Canton.

HOLLOWAY: They were coached. It was just one gigantic fraud.

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Q: They used to have hit squads of our people who would break into their houses with the Hong Kong police to grab their kochi books, telling which village they lived in and all this.

HOLLOWAY: Where the school was—

Q: Where the school was. It was very elaborate.

HOLLOWAY: The best story, though, were the Canadians, who required that you have no amoebic dysentery. No amoebas. Which required you were required to submit a clean stool. There was a place in Hong Kong that guaranteed a clean stool.

Q: They had stool producers, yes. Somebody at one point figured that there were very few Chinese women at the time, and each one of them had to have produced—I think this was before the 1906 San Francisco earthquake—each one would have had to produce something like 200 children or something like that, in order to produce the number of claimants to American citizenship.

HOLLOWAY: You mention the San Francisco earthquake. These Chinese knew every town in the West where the courthouse had burned town and there would be no records! [Laughter] “Oh, I'm from so and so, Montana, 1923.”

“Oh, that burned down. We don't have any records.”

Q: Yes. [Laughter] Did you get any instructions from the consul general, bringing you together? Did you have weekly meetings or something, where you would sort of chew over the China situation?

HOLLOWAY: Yes, particularly with Drumright, who, of course, had served in China, served in Chinese affairs. Drumright was very right wing, very conservative, and was a strong believer in Robertson's policies. But he was also intellectually interested in the problems.

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He had no sympathy for the Chinese communists, but he was certainly not prepared to say they don't exist.

Q: What was the thrust of your feelings from '52 to '57, about the survivability of—were you, as a group, convinced that this outfit was here to stay? Or that the Nationalists are going to—

HOLLOWAY: No. Whatever was going to happen in Communist China, I think there wasn't one of us who had any illusions about the Nationalists. Even those who served in Taipei. They weren't going back to the mainland.

Q: What was the feeling about the Nationalists? You were getting obviously, pretty well second-hand. But the other people, what was the general feeling about perception of the Nationalists at this period?

HOLLOWAY: That they had not improved a great deal over their performance on the mainland. Now, this was not held by many of the top folks, particularly the ambassador in Taipei. He was in our staff meeting, visiting Hong Kong, telling us that, "Oh, our relations with the Nationalists are fine. Everything is great." And one of the clerks came in and called him out. There was a message that the Nationalists had just broken into his embassy and, among other things, had dropped the safe on his car!

Q: This was after an incident of—

HOLLOWAY: An Air Force sergeant, named Reynolds, was acquitted of murdering a Chinese. And the ambassador was there telling us—

Q: This is ambassador Rankin.

HOLLOWAY: Rankin.

Q: Yes, Carl Rankin.

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HOLLOWAY: Carl Rankin. That this was all going to pass and blow over! [Laughter] And at that moment, his embassy was on fire!

Q: At the staff meeting, was anybody saying, "Well, this is all very good, Mr. Ambassador, but it looks like the regime is here to stay"? There was a certain keeping one's head down?

HOLLOWAY: No, nobody was going to tell him—we weren't going to say the Nationalists were hopeless. But we were telling him that things were better on the mainland than perhaps our propaganda was making them out to be.

Now, you've got to realize that we were fooled, too. In '57, there was a bad famine in China and thousands died. We had no inkling of that.

Q: Because you were relying on papers and broadcasts.

HOLLOWAY: The British would interview Hong Kong, the Hong Kong police would interview Chinese refugees. We were allowed to interview non-Chinese, who were still coming out—that was the division of labor—but the British made available their reports. But this was very low-level stuff; as you know, these were mostly from Guangdong.

Q: Yeah, which is the Canton area, the traditional—

HOLLOWAY: The traditional hinterland of Hong Kong. The foreigners were more interesting, particularly the White Russians, most of whom spoke Chinese and had gotten some fairly good insights. We were hearing that the Chinese and the communists and the Soviet advisors were not getting along from '53 on. They would detail arguments in this factory or that factory, where the Soviets said "Do it that way," and the Chinese said—

Q: The Soviets weren't there en masse at that point? Or were they?

HOLLOWAY: Yes, in '53, '54, '55 they—

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Q: Did you view the Soviets as a great monolithic brotherhood with the communists at that point?

HOLLOWAY: No, no. As I mentioned earlier, our original policy was very sophisticated. We say that Mao was going to be a Tito. And this was done at the very highest levels in Washington. And it's been published in papers. Afterward, that's '49, you get into the mid-'50s, you had to start asking yourself, "Haven't we pushed the Chinese into the Soviet arms?" But we certainly did think of them as monolithic.

Q: But you didn't see, in your reporting and the others, any sort of rift coming between the Soviets and . . .

HOLLOWAY: No, except for these reports that the Soviet advisors couldn't get along with the Chinese. Now this turns out to be indicative of much deeper disagreements.

Q: Could you just quickly summarize where you went afterwards, so the reader can get an idea?

HOLLOWAY: Well, I decided that Chinese affairs was a dead end. And in '57, the Department sent me to the University of Michigan. Spent a year and got a Master's degree in East Asian Affairs; went to Japanese language school in Tokyo, was assigned to the embassy in Tokyo, then was consul and principal officer in Fukuoka. Went back to Washington, was in charge of INR, on charge of Ceylon, India and Nepal. Was then switched over to German affairs when the wall was built in August of '61. And stayed in German affairs and European affairs for another three years. Then went, as counselor of political affairs, to Stockholm and spent four years there. Came back and spent a year at Harvard at the Center for International Affairs at Harvard. Went down to Washington as Director of Regional Affairs for East Asia. Then went out and spent four years as consul general in Osaka. Then came back to the War College as the State Department advisor to the Naval War College.

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My wife died, I retired and stayed on at the Naval War College. Been there for fifteen years now.

Q: I thank you very much.

End of interview