

# The Evacuation of the Nationalist Chinese (Kuomintang/KMT) Troops in Northern Thailand from the 1950s to Today

Kaemmanee Charoenwong

## An Overview

With the fall of China to the Chinese Communist Party in 1949, the Kuomintang Party (KMT) fled to Taiwan while some of its troops from the Eight Army, comprising the 26th Division and the 93rd Division, under the command of General Li Mi, entered the Shan State in Burma.<sup>1)</sup> These KMT troops were active in Kengtung and Tachilek. But on July 21, 1950, the Kengtung-Tachilek road occupied by the KMT troops was cleared and occupied by the Burmese Government.<sup>2)</sup>

The original purpose of the KMT troops, sometimes known as *the Yunnan Anti-Communist National Salvation Army*, was to use the Shan States as the springboard for the recapture of Yunnan. To do that it was important for the KMT to join with the Karen National Defense Organisation (KNDO). In January 1952, the KMT troops infiltrated into the Mawchi area. By October 1952, a detachment of 700 KMT from Muang Hsat joined the insurgent KNDO and entered Mawchi, Papun, Hlaingbwe, Karoppi and Panga. Another group of 300 KMT crossed the Salween River and marched into Pong Pang State. The KMT troops were employed for defense of KNDO strongholds such as Mawchi, Papun, and other places.<sup>3)</sup>

By the second half of 1950s the KMT troops no longer confined themselves to the areas in which they previously were concentrated. They changed their policy and line of action to occupy and dominate the whole of Shan and Kachin states to find an outlet to the sea, a permanent unobstructed line of communication from the south to the north, a permanent base on the northern frontier, and, above all, to create hostile activities with attempts to overthrow the Union of Burma in collaboration with insurgents taking up arms against the Union of Burma.

Realizing that in order to launch a successful operation against the People's Republic of China [the PRC] in Yunnan, the Shan States and frontier areas of Burma had to be turned into a secure military base. The KMT in Burma issued a directive to its forces to incite the citizens of Burma to rise up against the Government of Burma. In 1952, the Sawbwas, the heads of the autonomous states, in accordance with the desire of the masses of the Shan States, voluntarily surrendered their offices and powers to the Government of Burma. The Government of Burma retaliated by declaring a major portion of the Southern Shan States to be under military administration with a view to effectively suppress the insurgents in those areas.<sup>4)</sup> Exploiting this political issue, the KMT issued a statement that they were out to help the people oppressed by the Government of Burma and restore the autonomous chiefs, the Sawbwas, to their former position of authority and power. A propaganda campaign in the Shan and

Burmese languages was launched inciting the people to open revolt.

In the course of the evacuation of the KMT troops from Northern Burma, part of the troops fled to Laos via Ban Houi Sai in the north. There, they played an undercover role in the fight against the Chinese Communists. By 1960, the KMT had set up a new headquarters in Ban Houi Sai bordering Burma. While some of the KMT troops fled to Laos in the course of evacuation, others fled to Thailand. It was through Thailand that the remaining KMT in Burma were able to get military supplies and continue its opium trade. Another evacuation of the KMT was launched in March 1961 under United States pressure. Since 1961, most of the KMT numbering 5,500 to 6,000 have resided in Chiang Mai and Chiang Rai provinces of Thailand.<sup>5)</sup>

The KMT troops were able to survive and continue their operations in Southeast Asia, mainly in Burma, Laos and Thailand because of the Cold War. The Cold War was an intense economic, political, military and ideological rivalry between nations just prior to military conflict, with the application of intense pressure on all levels by hostile nations without becoming engaged in a shooting war. In the Cold War, the KMT in Southeast Asia actively participated in the ideological warfare between the free world and the Communist world.

The collapse of the Nationalist Chinese Government or the KMT party in 1949 had the effect of sharpening United States policy in the Far East, and hastening American measures to counter the Chinese Communists. The American Policy in Europe was applied to the problem of the Far East: the Truman Doctrine was in effect extended into the region. The basis of the Truman Doctrine was that the US would provide military assistance to support any nation which was resisting attempted subjugation by armed minorities or by outside pressure. The Mutual Defense Assistance Program was passed by Congress on October 6, 1949. It stipulated that United States arms, military equipment and training assistance be provided worldwide for collective defense. The United States began to be more deeply concerned about Communist expansion in Asia, and suspicion of nationalist movements also increased. The political situation in China in 1948-1949 brought the United States to a new perception of politics in Asia. In 1949 the staff of the National Security Council, at the request of the Secretary of Defense, reexamined American policy toward Asia. The Secretary of Defense noted that (1971: 39-40):

...increasingly concerned at the advance of Communism in large areas of the world and particularly the successes of Communism in China ..A major objective of the United States policy, as I understand it is to contain Communism in order to reduce its threat to our security. Our actions in Asia should be part of a carefully considered and comprehensive plan to further that objective.<sup>6)</sup> However, on December 30, 1949, NSC submitted another study to President Truman, and approved the following conclusions: (1) US should make known its sympathy with the efforts of Asian leaders to form regional associations of Non-Communists States of Asia; (2) should develop and strengthen the security of the area from Communist external aggression or internal subversion. (3) US should encourage the creation of an atmosphere favourable to economic recovery and development in non-Communist Asia; (4) US should exploit every opportunity to increase the

present Western Orientation of the area.<sup>7)</sup>

Regarding the possible greater use of Nationalist Chinese forces, a major programme was already being carried on with American help using Nationalist Chinese forces to keep the Communist Chinese on the mainland.<sup>8)</sup> The first country to display concern about its frontiers with the Republic of China was Burma which recognized the Communist regime in Peking (December 1949). After the Chinese Communist government had replaced the Kuomintang, a Burmese approach was made to Peking, suggesting a joint effort to settle and secure the frontier. To this request however, there was no clear or helpful response. All that Mao Tse-Tung's government had to offer was an undertaking that the forces of the People's Republic of China would not violate Burma's borders unless they found themselves under attack from the Nationalist Chinese remnants based in Burmese territory. The American Embassy in Rangoon noted that (1950):

...Chinese Communist troop intends to enter Kengtung for attacking the KMT. Government of Burma immediately took matter up with Peking who instructed its forces respect Burma territory but requests Government of Burma speed up its operation.<sup>9)</sup>

For these reasons the Government of Burma felt that essential steps needed to be taken for the withdrawal of the KMT troops. But the undefined China-Burma border, the nomadic habits of the inhabitants of border areas, the lack of national controls and organization in those areas, and the obvious inability of the Burmese government to organize adequate defenses were all factors which invited Chinese Communist attention if and whenever the latter chose to extend their activities into Southeast Asia.

### **The KMT Troops and Thailand**

By 1948, Thailand was able to resume her role in Asian affairs and was awaking to the implications of the civil war in China. The Thai government knew thousands of active Chinese Communists were already at work in the kingdom. It appeared that the Communist Chinese in Thailand had concentrated their efforts on gaining control of the few thousand labourers in the rice and saw mills and among the stevedores and had also initiated efforts to convert students in the Chinese schools.<sup>10)</sup> However, this enhanced Thailand's international position of playing the role of go-between. Prime Minister Phibun had seen the situation and said, "Thailand is not susceptible to Communism but the Government is tightening frontier controls against the Communists. Urgent building of the military highway between Chiang Rai and Fang is being mounted by the Border Patrol Police."<sup>11)</sup> And Phibun also expressed distaste for Communism in his reply. He said, "By preparing to stem the spread of Communism in this country...the Government would not be too strongly anti-Communist in order avoid open conflict."<sup>12)</sup>

The role of the Thai government and some of its officials in the supply of arms and materials to the KMT troops in Burma was a highly controversial issue in Thailand's

diplomatic history. When the Communists came to power in China in October 1949, they did not immediately establish effective control over much of Yunnan, particularly in the border area with Burma which was poorly defined and remote. The remnants of the defeated Nationalist armies in Yunnan: the 8th Army, 26th Army and 93rd Division, became known as the Yunnan Anti-Communist Salvation Army, and began crossing into Burma's Kengtung State in late 1949. In June 1950, they began to occupy Monghsat, where they reorganized under General Li Mi, the Commander of the 8th Army.<sup>13)</sup> The Chinese Embassy in Bangkok sent its officials from the Office of the Military Attache to Mae Sai to assist the KMT soldiers, in spite of the Thai Foreign Ministry's objection. Thus the Thai Government officially closed the border on July 30.<sup>14)</sup> There was some evidence which suggested that, by 1951, Phibun began to consider giving support to the KMT troops if the Western powers did so. He may have done so for reasons of national security, namely that the KMT troops were useful as a buffer force. Also, in so doing, he would prove to the United States Thailand's commitment to fight Communism. In October 1951, a telegram from the British Ambassador, Bangkok to the Foreign Office, stated (1951):

...Phibun's straight admission of cooperation with an American clandestine organization...He has admitted that he now thinks war almost inevitable and the tenor of his words today exposed wishful thinking about automatic involvement of United Nations forces in encountering any moves by Mao from South China...<sup>15)</sup>

Evidently, Phibun had been approached by a representative of the Central Intelligence Agency and asked to provide certain facilities to support General Li Mi. The British Ambassador's thinking on the issue of alliances was deeply influenced by self interest, which he emphatically stated (1951):

...Phibun's "benevolent attitude" is, we suspect, also coloured by self interest. There must presumably be some pay off for Siamese complicity in supply service and there is plenty of evidence that Phao (Police General) is running the racket. Whether Phibun gets his rake off or not, ... but point is that Phao knows he has been handling American materials and Phibun knows it too.<sup>16)</sup>

It appears that the supplies which the KMT troops obtained through Thailand, including weapons, ammunition, medicines, and petroleum products, were paid for with opium. The shipment of these supplies from Thailand appears to have been handled by Phao and his police units, as distinguished from the local police, and with the help of the Chinese Military Attache's office.<sup>17)</sup>

It is clear that the Thai government had some misgivings all along regarding the KMT troops, and it came under strong Burmese diplomatic pressure to terminate all support given to the KMT troops. Phibun realised that it was no longer to Thailand's advantage to permit clandestine arms supply through Thailand. But the person with real responsibility and power to enforce any policy decision on this matter was Phao, in his capacity as Police Director-General and Deputy Minister of Interior. Given Phao's position in the ruling clique and his police backing, he was powerful enough to act

independently of such a government decision in favour of his own personal benefit and in regard to CIA supplied arms.<sup>18)</sup>

### **The KMT in Burma**

The original purpose of the KMT troops was to use Burma as a refuge to reorganisation and equip themselves with the intention of launching an offensive against the PRC. However, after three successive failures in May and July 1951 and August 1952, despite their successful attempts to penetrate more than sixty miles into China, they appear to have abandoned their original plan and turned their attention to monopolising and expanding the opium trade in the Shan States. The Burmese army in February, March, November, and December 1951, and again in late 1952, attempted to oust these KMT troops from Monghsat but was unsuccessful.<sup>19)</sup>

The Burmese government viewed that the KMT offensive actions into Yunnan as an attempt not to destroy Communist China but rather to destroy Burmese-Chinese relations. Burma feared that the presence of the KMT troops in Burma would antagonize the PRC and provide it with an excuse to invade Burma. The PRC was also concerned about the situation in Burma. The PRC, which was fighting the United Nations forces in Korea, was afraid that a second front might be opened in the south by the United States using Burma as a base of operations. The KMT located there were considered by the PRC to represent a nucleus for an invasion army.<sup>20)</sup>

Thus immediate and effective action by the Burmese government became imperative.

In 1950 the Nationalist Chinese were estimated to comprise 1,200 men with 800 family members from the 93rd Division and the 8th and 26th armies who had drifted into Kengtung near the Thai and Indochinese borders. They were avoiding encounters with the Burmese army and some were believed to be moving across Thai and Indochina borders in the Mekong River and Lake Naung Lam areas. The Chinese in Burma were of four types.

1. Chinese who had lived for a long time in the Sino-Burma border region but who were forced by the Burmese authorities to leave that area in view of the hostilities.
2. Chinese soldiers who, seeking refuge in Burma, had permitted themselves to be disarmed and interned.
3. Citizens who had fled from Yunnan into Burma to escape the Communist Chinese.
4. Chinese government officials from southwest China who had escaped. On the side of the Burmese government, the activities of the KMT troops in Burma were directed and supported by the Nationalist Chinese Government in Taiwan. The statement by the Honourable Justice U Myint Thein, Chairman of the Delegation of Burma, at the seventh session of the General Assembly, United Nations, on April 17, 1953 quoted in a United Press report with a Taipei dateline, February 3, 1952 was as follows (1953: 38):

...General Li Mi, Commander of the Nationalist Forces in Yunnan, is on this way

back to rejoin his forces after more than a month in Formosa conferring with authorities here. It is no secret that General Li Mi conferred with the highest military and political authorities here, and made field inspections of training programmes being carried out by Nationalist armed forces.<sup>21)</sup>

Thus, the Burmese government believed that General Li Mi had been back and forth between Taiwan and Monghsat since then. Additional and substantial evidence of Taiwan's complicity was provided by the phenomenal improvement in the armaments at that time carried by the KMT forces in Burma. The troops which first entered Burma in 1950 were armed mainly with weapons of Chinese, Italian and Czechoslovakian origin. They had a sprinkling of American manufactured weapons such as carbines and light machine guns and mortars.<sup>22)</sup> In 1950 the KMT troops had approximately 1,500 soldiers, and their activities were restricted to only a part of the Kengtung State. In 1951, the number of the KMT troops had increased to at least four thousand. By then, the operations of the KMT troops had extended to the Wa and Kokang States. But the area of operations still remained east of the Salween River. In 1952, the numbers of the KMT troops had increased to approximately 12,000, and the area of operations was extended to cover the whole eastern portion of Burma including areas west of the Salween from the Bhamo area in the north, right down to the area of Moulmein in the south and westward to include the Kayah State.<sup>23)</sup>

The KMT interference in Burmese internal affairs had caused concern for the Burmese government. The KMT had liaised with the Karen insurgents and engaged in subversive propaganda against the Burmese Government. For example, on November 1, 1952 Mr. Chiu instructed the Commander of the Chung battalion to assist "the Kawthulay Government and Karens and Mons," and to assist them as much as we can so that they may become strong enough to achieve their aim of reorganizing the Government and to work together with us for the object of Anti-Communism.<sup>24)</sup>

When the KMT troops occupied the Monghsu area, they preached that they were out to help the people who were being oppressed by the government of the Union of Burma and that their purpose was to restore the Shan chiefs who had recently agreed to give up their executive powers and functions in favour of a more democratic form of government to their former positions of authority and power. They had issued leaflets in Burmese and Shan inciting the citizens of the Union of Burma to disobey the orders of government and even to rebel against the government. Their object was to set up the minority groups inhabiting the eastern portions of the Union of Burma against the lawfully established government.<sup>25)</sup> The government expressed apprehension over the issues of the political activity of the KMT troops in Burmese areas. Telegraphic Service No. Fa Ching/134, dated 3 July 1952 illustrates the point (1953: 173):

...Try by every means to incite the Sawbwas and the Headmen to spread sedition against the Burmese Government by propagating that the Burmese Government is abolishing the system of Sawbwas Administration by utilizing the recruits, Shan Volunteers, in order to accomplish its intention of governing all the nationalities by the Burmese. The recruiting officers sent by the Burmese Government and the

volunteers recruited shall be denied with passes issued by us and we shall put all kinds of obstacles in their way.<sup>26)</sup>

Thus, the chief cause of anxiety among the Burmese was the fear of their powerful neighbours, especially the PRC. The Burmese believed that the Communist Chinese were attempting to prepare the opposition in Burma by assisting the Burmese Communist Party to set up administration in upper Burma. The position at that time was the KMT troops were fighting between the Communist Chinese and the Burmese forces. The Burmese government was also taking steps to prevent the KMT troops from retreating further into Burma and thus deprive the Communist Chinese of an excuse to invade Burma in pursuit of the KMT troops.

During his conversation with American Ambassador Sebald, on 25 July 1952, U Nu, the Prime Minister, expressed his concern that the insurgents, and particularly the Communist elements thereof, would flee to Communist China where they would be furnished with new armaments, regrouped and retrained, and would probably re-enter Burma to begin a rebellion all over again.<sup>27)</sup>

Thus the Burmese government had appealed to the American government for diplomatic aid in removing the KMT troops from Burmese territory. Such apprehension over the Burmese leader's intentions on the part of the American government was summed up as follows by the telegram sent from Rangoon to the Secretary of State on May 16, 1951.

...Government of Burma had requested US diplomatic aid in ridding Burma of KMT's and that we had taken up matter with Chiang Kai-Shek. Article also referred to arms smuggling from Thailand to estimated 5,000-10,000 Chinese Nationalists reported involved.<sup>28)</sup>

Commenting on the fact that the Burmese Government had asked for the American assistance to clear the KMT troops from the Burmese territory, the Burmese officials remarked that "the KMT Government and its troops were being preserved by the Americans and that any assistance given the KMT soldiers from Siam must be the work of American expansionists".<sup>29)</sup>

In 1951, the government of Burma also requested the United Nations to take action on the KMT troops in the Shan States. The telegram from the American embassy, Rangoon to the Secretary of State on 19 September 1951 described a draft of a letter prepared by U Nu to the Secretary-General of the United Nations (1951):

...The letter described the manner in which the KMT troops had intruded into the Burmese territory, the danger to Burmese security which their continued presence threatened, the efforts which the US and UK Governments had made to persuade the Nationalist Chinese Government at Taipei to remove these troops and mentioned the fact that KMT troops had American arms and some American advisers. Mr. Tomlinson (The Counselor of British Embassy) received from his Foreign Office three measures which the US and the UK Governments should take:

1. Every effort should be made to induce the Nationalist Chinese Government to move these troops from Burma.
2. Every effort should be made to make sure that no American-adventurers smugglers, et al. were involved in this operation.
3. That the US and UK should make a joint approach to the Thai Government in an effort to persuade that government to prevent the passage of arms to the KMT troops through Thailand.<sup>30)</sup>

### **The United States and the KMT**

The United States was involved in the KMT problem because the US was accused as being the source and route of supplies to General Li Mi. For example, a Reuters report in January 1952 charged that the Americans had armed the Nationalist Chinese troops from Chiang's Taiwan strong-hold daily through Thailand to join General Li Mi's forces in Burma. The same news agency reported that the Nationalist Chinese had seized a large area of Burmese territory and had built air fields, fortifications and harassed the villages and definitely showed no signs of being induced to be repatriated.<sup>31)</sup>

However, the Burmese government was deeply disappointed with the attitude of the United States with the KMT problem. The United States failed to apply sufficient pressure on Taiwan to withdraw its troops. The United States tended to accept the Nationalist Chinese Government's statement that it exerted "little effective control over KMT troops in Burma".<sup>32)</sup>

Therefore, the American government could not be held responsible for their presence nor be forced to withdraw the KMT troops. Thus, the Burmese leaders came to believe that the United States was not interested in attaining a solution to the problem because it was clandestinely supporting the KMT troops.

Thailand's relations with Burma also continued to deteriorate. In May 1951, the Burmese Ambassador in Bangkok was instructed to complain to the Thai government that the KMT troops in Burma had been receiving arms, ammunition, medicine and new recruits through Thailand.<sup>33)</sup> After having threatened many times, the Burmese Foreign Minister finally sent a telegram to the United Nations Secretary-General on March 25, 1953, requesting that a "Complaint by the Union of Burma Regarding Aggression Against Her by the Kuomintang Government of Formosa" be placed on the agenda of the current Seventh Session of the General Assembly.<sup>34)</sup> When the matter was submitted, the United States took immediate action to keep the KMT issue from being debated, so that embarrassing disclosure of all the circumstances surrounding the KMT activities would be avoided. In view of this, the American Government decided to call for the KMT troops withdrawal from Burma. The United States began to put more pressure on the Nationalist Chinese Government to order the KMT troops withdrawn, and at the same time actively tried to get the Thai government's cooperation in facilitating the evacuation.<sup>35)</sup> The Thai government responded by offering to permit the evacuation of the KMT troops through Thailand provided they were first disarmed.<sup>36)</sup>

These belated gestures from the US and Thailand, however, did not dissuade Burma from pursuing its action at the United Nations. The Burmese complaint was debated

on 17 April 1953.

The key to the whole problem was the attitude of the US Government. It gradually lost interest in supporting the KMT troops because their offensive in Yunnan had been a debacle, exposing their military uselessness. Moreover, Burma threatened to bring the matter before the United Nations with the embarrassing prospect of the US involvement being disclosed and condemned. The US therefore revised its policy and withdrew its support for the KMT. For similar reasons, the Thai Government also came to the conclusion that it was more a liability than an asset to support these troops. It therefore cooperated closely with the US in expediting the evacuation of these troops during 1953 and 1954.

It was estimated that about 5,000 KMT troops remained in the southern Shan States after most of them were evacuated to Taiwan in 1953 and 1954. The Burmese Army also mounted operations against the KMT in 1955 and 1956. As a result of these operations, the KMT was forced to cross the border into Laos and Thailand. (In Laos at Mong Singh and Thailand at Doi Lang, Chiang Mai). Some deserters wives and families sought political asylum in Thailand.<sup>37)</sup> A similar phenomenon appeared to have taken place along the Mekong and a number of them were believed to be in Laos, with the consent of the Laotian government.<sup>38)</sup>

On arrival in Thailand, they occupied sites of their own choosing, in all cases within easy reach of the Burmese border. This suggests that they intended to carry on business and to maintain contacts with Burma and with the understanding of Thai authorities. The KMT had an agreement with the Thai Government whereby they would safeguard the border areas of Thailand.<sup>39)</sup> There were two principal camp areas. The first was at Doi Mae Salong, Mae Chan District, Chiang Rai. It lies at the foot of Doi Tung. The second area was in Fang (now Chai Prakan District), Chiang Mai Province.

The Thais officially claimed that they were negotiating with both the Burmese and Taiwanese governments for a solution but probably there was no enthusiasm behind their efforts to reach a settlement.

After the fall of the Chinese mainland into the hand of the Communists, the United States believed that the Communist Chinese expansion into Southeast Asia was likely to occur unless it was opposed by a substantial force. The American government had not recognized the Peking government and had so far opposed its membership of the United Nations, although it stated that it would fall in with the wishes of the majority of the members. The primary objective of the United States should be in the political sphere and in that connection the United States should act on particular problems as they arise in Asian countries in such a way as to offer compelling evidence that the United States accepted the right of Asian nationalist leaders to determine their own affairs in their own way and intended to give no support to foreign powers. The military counterpart of this policy would be for the United States to make it known that its military resources were available for immediate support of any decision reached by the United Nations which had as its purpose the preservation of national borders from military aggression by hostile neighbors.<sup>40)</sup> The Republican Party, which enjoyed the widespread prestige of its popular candidate General Dwight D. Eisenhower, accused

the Truman Administration of being “soft” on Communism especially in Asia. The Democrats were excoriated for the victory of the Communists in China and the bitter experiences of the American military forces in Korea. Much more should be done, the Republican claimed, to prevent further Communist aggression in other parts of Asia and throughout the world. After his election, President Eisenhower promised that his administration would follow a new positive foreign policy to block any further advances by the Communists and to bolster the nation’s anti-Communist allies. American foreign policy underwent more of change in tone and style than in substance with the inauguration of President Eisenhower and his appointment of John Foster Dulles as Secretary of State. It was Dulles who had written the containment policy in 1952.<sup>41)</sup>

However, foreign policy during President Eisenhower’s first term reaffirmed the nation’s major postwar undertakings to resist Communist encroachment through collective security backed by substantial American aid; to press for its goals through negotiations rather than armed conflict; and to support the United Nations as the principal forum for resolving international conflicts. The American government’s self-interest dictated that Communism should not be allowed to overflow from China into the surrounding countries. If Indochina, Burma and Thailand were to fall, it would be possible to bring very considerable pressure to bear on Malaya not only by infiltration tactics but also by cutting off the supply of rice on which Malaya is so heavily dependent. If the Communists were to be contained, the long run economic programme must be supplemented by more immediate measures which faced up to the fact that they still lived in a world of power politics.<sup>42)</sup>

A new look would be given to the American military posture, and new stress placed on deterrent military power and collective regional security. In his inaugural address the new president stated (1965: 97):

...We hold it to be the first task of statesmanship to develop the strength that will determine the forces of aggression and promote the conditions of peace. Appreciating that economic need, military security, and political wisdom combine to suggest regional groups of free peoples, we hope within the framework of the United Nations to help strengthen such special bonds the world over.<sup>43)</sup>

It was generally assumed that the non-Communist governments in the region would benefit greatly from an increased emphasis on military power, and that the Asian countries would willingly cooperate in advancing these objectives of American foreign policy. The implementation of these policy changes was placed in the hands of the new Dulles. In his first major speech Dulles stated in May 1951 that “Indochina is the key to Southeast Asia upon the resources of which Japan largely depends”.<sup>44)</sup>

As these developments were taking place in Southeast Asia, the United States and the People’s Republic of China found itself involved in a direct and more threatening clash over Taiwan. As during the Korean War each nation was convinced in this dispute that it was legitimately defending its national interests and accused the other of imperialist aggression. The Communist Chinese continued to consider Taiwan a province of China; the United States not only still recognized the Nationalist Chinese

government as the government of all China, but also included Taiwan within its defensive perimeter in the Western Pacific.

By the time the United States made the decision to grant economic aid to the Southeast Asian countries, the KMT troops were regarded to be the vanguard Southeast Asia. In connection with any consideration of possible greater use of the KMT troops, there was a considerable programme being carried on with American help which used the Nationalist Chinese forces in a manner of keeping the Communist Chinese on the mainland. Such raids might be a useful means of preventing the Chinese Communist from reinforcing their forces in Korea or dispatching Nationalist Chinese forces to Indochina.<sup>45)</sup>

The American policy on Taiwan and KMT may be summarized as follows (1953):

...The new US policy toward Formosa is expected to step up Nationalist raids on the mainland of Red China and may permit an airlift of men and material to Chinese Nationalists forces clinging to a foothold in the Burma border region. The policy switch would permit reinforcement and supply of General Li Mi's 10,000 to 15,000 troops who have held out on the Burmese border area of southwest China since the collapse of Nationalist armies on the mainland in late 1949.<sup>46)</sup>

During the Korean War in 1950-1953, the US policy in the Far East was to disperse the Communist Chinese forces by opening another front area on the Sino-Burmese border. It was believed that the KMT troops in Kengtung had been supplied by the United States via Thailand. The British reports indicated that the planes supplying the KMT belonged to Claire Chennault's China Air Transport (CAT) and were operating out of Saigon.<sup>47)</sup> There had various reports of up to six Americans with the KMT troops.

...AG. 2 Intelligence officer or possibly head agent, is believed to have CAT cover in Hong Kong. Two Americans in CAT (China Air Transport) are financial backers of magazine entitled "Army Council" now produced in Hong Kong. This may be a private venture but it is at least equally likely that it covers O.P.C. / CIA interests.<sup>48)</sup>

The Burmese government requested the US to ask the Nationalist Chinese to instruct the KMT troops in Burma to lay down their arms and permit themselves to be interned by the Burmese government. But it was the American policy to use KMT troops to force the Burmese government to review its neutral policy.

The US State Department realised that the presence of KMT troops would provide the Communist Chinese with a pretext to invade Burma. In the context, the United States thought that there was a strong desire to supply adequate military aid to Burma.

However, in March 1953, the Government of Burma requested that the American government not continue its aid programme beyond June 30, 1953, until such time as the government of the Union of Burma was able to settle the KMT issue completely.

Such questions as the future status of Taiwan, the possibility of Communist Chinese intervention in Korea, the admission of the Communist China into the United Nations and the Communist menace in Southeast Asia were, in essence, two reasons why the KMT problem was linked with the American aid programme. The United States was obsessed by the Communist danger. Partly, this might be the reason for the American support of the Nationalist Chinese troops.

The KMT troops' withdrawal would have had to be carried out through Indochina or Thailand with Burmese forces ostensibly driving them out. However Thai sensitivities resulting from such a migration concerned the American government and an offer of aid was considered to help the Thai accept this situation.

The Thai government had always been concerned with the security of Thailand's northern border. The idea of using the remnant KMT troops as a buffer force therefore appealed to Thai military leaders. Moreover, since these troops were clandestinely supported by the CIA, it was seen as another opportunity to show the US that Thailand would cooperate in fighting Communism. As a result of the aid given to the KMT troops, they were able to operate along the Sino-Burmese border.

Accordingly, in early 1957 President Eisenhower applied the so-called "Eisenhower Doctrine". Later, this doctrine became the American government's global policy. The essence of the doctrine was: (1) assisting non-Communist nations in economic development; (2) cooperating militarily with those nations; and (3) using American forces to secure and protect the territorial integrity and political independence of nations requesting such aid.<sup>49)</sup> The political situation in Laos during the late 1950's and early 1960's was a major concern for the United States regarding the KMT troops in Southeast Asia. President John F. Kennedy showed that the United States would intervene to prevent a Communist takeover in Laos. In an attempt to gain American support, the KMT troops moved to the Thai-Laos border. Its troops deployed along the border represented moral support to Gen. Phoumi Norsawan, as well as a clear indication to the United States of its concern for Thai security.

However, the presence of the KMT was a growing concern. It provided vivid evidence that the Thai Government had been trapped by the commitment to the American government's Communist containment policy, which would not allow the Thai government to adjust easily to the new international political scene.

Since 1961 a probable majority of the remaining KMT resided in Chiang Mai, Chiang Rai and Mae Hong Son provinces in northern Thailand. While no longer fighting for political reasons, they had an interest in the lucrative opium trade in the Shan State of Burma. In a most profitable business, the KMT escorted 90 percent of the opium grown in the Shan State to the international drug traders in Bangkok and Saigon.<sup>50)</sup> As reported by the British Consulate in Chiang Mai in August 1962 (1962): "there are still 3,500 KMT troops in Thailand, they have settled down with local wives and are principally engaged in the illegal opium trade".<sup>51)</sup>

Once again, however, regional events were to frustrate American expectations for greater programming autonomy. By 1969 American troops were being withdrawn from South Vietnam and Thai soldiers were no longer needed in Vietnam. The political conditions cited to justify the high foreign aid levels to Thailand were now openly challenged.<sup>52)</sup> By 1971 Thailand became increasingly occupied with adjusting

foreign policy to suit the changing role of the United States in Asia, and to take into account the emergence of China in world affairs. Hence, the KMT troops in Southeast Asia were trapped by the commitment to the United States in foreign affairs. The United States realized that the KMT troops were the problem in Southeast Asian countries such as Burma, Thailand and Laos. But the United States could not hold and solve this problem except to let them rest with these countries. The response of the KMT troops in Thailand, would effect in particular the political, economic and social situations in the countries which the KMT troops had settled down.

The role of the KMT troops was well known in Thailand, despite the fact that the Thai government did not admit publicly that these troops were located within Thailand until 1972. The attitude of some Thai officials toward the KMT troops and its involvement in the opium trade is perhaps exemplified by words of a Border Patrol Police officer, “as long as the KMT remains quiet we leave them alone. Of course opium running is illegal. But its the only source of money for the hill tribes”.<sup>53)</sup>

This hands-off attitude toward the KMT troops on the part of the Thai government was abruptly ended in the early 1970s by the latter’s willingness to end the KMT troops’ role in the opium trade. The Thai government was subjected to increased pressure from the United States to curb the flow of narcotics from its northern borders through Bangkok. At that time a United States government report stated that the Golden Triangle was producing 1,000 tons or eighty percent of the world heroin supply and most of it was smuggled through Thailand’s capital.<sup>54)</sup>

The Thai government was perhaps predisposed to yield to such prodding because of the KMT troops’ authority as a buffer against external Communist aggression was gradually becoming compromised by the negative impact KMT operation of the opium trade was having on the hill tribes in Thailand. The KMT troops had assumed the role of oppressors in Thailand’s border areas by forcing payment of “opium taxes” on villages and extorting tolls from travelers and traders using the few mountain roads in the region. Their control over the refining and marketing of opium also allowed the tactic of “greening the crops” in which the hill tribe growers were forced to sell their crops to the KMT troop agents (who were often local Chinese Haw shopkeepers) two and three years in advance.<sup>55)</sup> These heavy handed tactics instilled fear and distrust among the hill people toward the KMT troops, their supposed protectors, and cast suspicion toward the Thai government which gave the appearance that the KMT troops’ behavior was condoned. This worried Thai government officials because the hill tribes could be persuaded to join forces with Communist rebels which were active in the North as in a 1967 Hmong revolt which the KMT troops were instrumental in putting down. The Thai government therefore responded to US pressure during the early 1970s by shutting down the Third and Fifth Army refineries in Tam Ngop and Mae Salong in 1972 and giving the Border Patrol Police, which was primarily a counter insurgency and border security agency since its inception in 1953, a key role in the narcotics suppression efforts.<sup>56)</sup>

In exchange for the KMT troops promise in 1972 to refrain from further involvement in narcotics, the Thai Government provided assistance for their resettlement and provided legal residence to the KMT troop members.<sup>57)</sup> The

KMT Third and Fifth Armies were disbanded and their members settled in thirteen villages: Na Pa Paek and Hua Lang in Mae Hong Son Province, Muang Haeng, Pieng Luang, Khae Noi and Muang Ngai in Chiang Dao District and Tam Ngop, San Makokwan, Luang in Chai Prakan District; Muang Ngam in Fang District in Chiang Mai Province, Mae Salong in Mae Chan District, Mae Aep in Chiang Saen District and Pa Tang in Chiang Khong in Chiang Rai Province.<sup>58)</sup>

Despite promises to refrain from involvement in narcotics, and the resettlement of the KMT, it continued its involvement in the opium trade. The refineries were moved to the Burma side of the border while the caravan communications network remained in place. However, due to American military aid, there was increased Burmese pressure on the KMT troops. The immense mule caravans that transported opium from Burma into Thailand came to an end. To avoid increasingly vigorous Burmese attacks and to reduce the chance of detection, traffickers began using smaller caravans and human carriers.<sup>59)</sup>

### **The Status of the Chinese Minority**

The resettlement plans for the former KMT troops and their family members were prepared in Bangkok by the Ministry of Defense in early June 1966. The plans were presented to the Cabinet committee in the same year. The plans, were published in preliminary mimeographed form in 1966 and 1968. It served as the basis of the present programme for former KMT troops by the Ministry of Interior. It discussed the major problems, including (1) promoting a more stabilized economy; (2) replacing opium growing by developing new cash crops; (3) administration and control in the remote hills and frontier regions.

On the basis of this report, the Thai government formulated policy measures which included administrative measures and development activities. An action programme was suggested, with the two major projects: (1) intensification and broadening of settlement project activities; (2) transferring responsibility from social and vocational development. Some of the main principles which were recommended on the basis of the reports were as follows:

- 1) Land Settlement Projects, in Chiang Mai Province, three districts of Mae Ai, Fang and Chiang Dao.
- 2) To transfer the responsibility of the former KMT troops from Ministry of Defense to Ministry of Interior. The major responsibility of the Ministry of Interior was to help move the Nationalist Chinese to designated villages and give them vocational training.
- 3) These former KMT troops were encouraged to work in the following activities:
  - a) cultivation of experimental cash crops, which might ultimately replace opium poppy cultivation, and development of improved and modernized methods of hill farming.
  - b) training and demonstration centers for the former KMT troops in vocational training.

The KMT villages were in remote areas far from other villages, and sometimes were illegal. Therefore, they did not have communication or interaction with other Thai people. Legalizing them would help to open them up and familiarize them with the Thai way of living. Thus, they would become Thai citizens both legally and abandon drug trafficking. Their actions could cause political problems. But there were also Yunanese Chinese civilians who took advantage of not being subject to Thai law to collect taxes illegally and engage in drug trafficking. Thai actions often caused political problems. Thai people who knew about this held government officials responsible for this. Therefore, the government realized it had to do something about these illegal refugees.

The problems with the Yunanese Chinese under the Ministry of Interior in fact was not so serious since many of them lived near Thai villages and some had intermarried with Thai people. Therefore, they integrated and became Thai faster and easier than the former KMT. The government had not yet devised a policy to deal with these independent Chinese, but they planned to use the same strategies as they had with the former KMT.

Still, the Thai government gave consideration to KMT citizenship as slowly as possible due to the situation at that time. Most of the former KMT people thought that procedures and principles of the Thai government for granting their citizenship were very difficult and had many obstacles. These sometimes made the former KMT people use improper ways which were not good for national security. Thus, this issue needed to be considered and revised as fast as possible.

Perhaps more importantly, the Chinese descendants had blended into the fabric of Thai society as the result of non-discrimination in Thai government policies and several generations of intermarriage. Until 1972, when the regime of Thanom Kittikhajohn issued an emergency order which effectively deprived children born of alien fathers of Thai citizenship, the bulk of Chinese descendants born in Thailand were accorded Thai nationality. In official documents, the first generation of Sino-Thais would be described in official documents as being of Chinese "race." From the second generation onwards, however, they would be formally considered full fledged Thais. Ironically, the domestic Chinese assimilation was accompanied by a lengthy period of animosity and distrust in Thailand's official level relations with China.<sup>60)</sup>

Permission to grant Thai citizenship to the former KMT members required Cabinet approval. The granting of Thai citizenship principles would depend on the behaviour or the activity of the former KMT because the Thai government can withdraw the KMT citizenship when they perform certain illegal activities. This is a good principle for the Thai government to control the KMT people on the one hand, but on the other hand, the KMT people may feel insecure at the prospect of being discriminated against. This would encourage the KMT people try to do something which will earn them citizenship or identity cards.

The KMT troops were inclined to act autocratically once they were sure of the "struggle for survival" of their cause. This was hardly an appropriate characteristic for refugees. For this, they were branded drug traffickers by their pro-communist adversaries and Thai opponents. Both had laid the blame on Thai government for the lack of action and lack of measures taken forward the KMT troops. However, the

KMT troops improved a great deal when they had to live in Thailand as Thai citizens. In the struggle for survival, physical force was accepted as an alternative to popular consent in overcoming any political impasse. However, the internal and external politics of Thailand have changed since 1980's.

#### Notes

- 1) The Nationalist Chinese (KMT) General. He was in command of the KMT 8th Army in Yunnan when Mao Tse-Tung took over China. Consequently, Li Mi and his 8th Army and other KMT units (the 26th Army and the 93rd Division) withdrew into Shan State which borders Yunnan.
- 2) Robert H. Taylor. *Foreign and Domestic Consequences of the KMT Intervention in Burma*, (Ithaca, NY: Cornell University Press, 1973), 15.
- 3) The Union of Burma, the Ministry of Information, *KMT Aggression against Burma*, 3-4.
- 4) The Union of Burma, the Ministry of Information, *KMT Aggression against Burma*, 18.
- 5) The Royal Thai Third Army, the Special Task 327 (Nuai Chapho Kit 327), *The Nationalist Chinese Immigrants (Phu Oppayop Adiet Tahan Chin Chart)*, (Dararat, Chiang Mai, 1987 (2530)), 14.
- 6) See Surachart Bumrungsuk, 33 and "State Department Report for The National Security Council (NSC)", "US Policy Toward Southeast Asia", (NSC 51) 1 July 1949 (Extracts).
- 7) *The Pentagon Papers, Vol 1*, 1971, 39-40.
- 8) RG. 59 / 611.90 / 12-2452 From Far East to Mr. John Foster Dulles, 24 December 1952.
- 9) RG 84 / 360.01 (Kengtung) From Rangoon to the Secretary of State, 10 August 1950.
- 10) RG. 59 / 892.00B / 11-3048 Memorandum of Conversation, 30 November 1948.
- 11) RG. 59 / 892.00 (W) / 6-949 Incoming Telegram from Bangkok to Secretary of State, 10 June 1949.
- 12) RG. 59 / 892.00 / 7-849 Incoming Telegram from Bangkok to Secretary of State, 8 July 1949.
- 13) The Union of Burma, the Ministry of Information, *KMT Aggression against Burma*, p.9.
- 14) RG. 59 / 360.01 Telegram Received from Hongkong to Rangoon, 27 June 1951.
- 15) FO. 1019 / 90 Telegram No. 450 from Bangkok to Foreign Office, 13 October 1951.
- 16) FO. 371 / 92142 Ref. 26615 From Bangkok to Foreign Office, 21 September 1951.
- 17) RG. 59, 893.03 / 3-2051 Foreign Service Dispatch from American Consulate Chiang Mai to the Department of State, 9 November 1951.
- 18) Anuson Chinvanno, *Thailand's Policies towards China, 1949-54*, (London: Macmillan, Academic and Professional Ltd., 1992), 110.
- 19) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 3.
- 20) Kenneth Ray Young, *Nationalist Chinese Troops in Burma Obstacle in Burma's Foreign Relations: 1941-1967*, (New York: New York University Press, 1970), 57-58.
- 21) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 38.
- 22) RG. 84 / 360.01 NND. 832440 Telegram Sent from Rangoon to Secretary of State, 24 May 1951.
- 23) FO. 371 / 106892 From Rangoon to Foreign Office, 11 November 1953.
- 24) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 177.
- 25) FO. 371 / 106892 From Rangoon to Foreign Office, 11 November 1953.
- 26) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 173.
- 27) RG 59 / 832440 Memorandum of Conversation between U Nu and William Sebald, 25 July 1952.
- 28) RG. 54 / 1950-1952 NND 832440 Telegram Sent from Rangoon to the Secretary of State, 16 May 1951.
- 29) RG. 84 / 360.01 From Reuter Despatch in the Calcutta Statesman, 17 May 1951.
- 30) RG 84 / NND 832440 Telegram Sent from the US Embassy Rangoon to the Secretary of State, 19 September 1951.
- 31) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 117.
- 32) RG. 54 / 1950-52 NND 832440 Telegram Sent from Rangoon to the Secretary of State, 17 May 1952.
- 33) RG. 84 / 1950-52 NND 832440 Telegram Received from Bangkok to the Department of State, Rangoon, Taipei, 20 May 1951.
- 34) The Union of Burma, the Ministry of Information, *Kuomintang Aggression against Burma*, 23-24.
- 35) Anuson Chinvanno, *Thailand's Policies towards China, 1949-54*, 112.

- 36) *The Bangkok Post*, 4 April 1953.
- 37) *The Bangkok Post*, 4 April 1953.
- 38) FO.371/129648 Ref.26488 From British Embassy Chiang Mai, 30 July 1957.
- 39) Interview with Gen. Li Wen-Huan, Chiang Mai, November 1992.
- 40) Thomas H. Etzold and John Lewis Gaddis, *Containment Documents on American Policy and Strategy 1945 - 1950*, (New York: Columbia University Press, 1978), 259.
- 41) Congressional Quarterly, Inc., *Congress and the Nation 1954-1964*, Washington, D.C., 1965, 108.
- 42) RG. 59 / 893.00 R / 4 - 2650 From Far Eastern Affairs to Secretary of State, 26 April 1950.
- 43) Frank C. Darling, *Thailand and the United States*, Public Affairs Press, Washington, DC, 1965, 97.
- 44) RG. 59 / 941.61 / 12-2252 From London to Secretary of State, 22 December 1952.
- 45) RG. 59 / 941.61 / 12-2252, 22 December 1952.
- 46) RG. 59 / 611.90 / 2-353 From American Embassy Rangoon to American Embassy Taipei, 3 February 1953.
- 47) RG. 84 / 5007-501 From Embassy Rangoon to the Secretary of State, 2 November 1951.
- 48) FO. 371 / 92142 Ref 26715 From Singapore to Foreign Office, 1 September 1951.
- 49) *Congressional Documents*, Perlmann, U.S. Senate, 1968, 132-135.
- 50) Alfred W. McCoy, *The Politics of Heroin in Southeast Asia*, 246-247.
- 51) FO. 371 / 166617 Ref. 26324 From British Consulate Chiang Mai, 9 August 1962.
- 52) Sarasin Viraphol, *Directions in Thai Foreign Policy*, Occasional Paper No. 40, Southeast Asia Studies Published, Singapore, May 1976, 13-15.
- 53) Tribal Research Centre, Chiang Mai, *Tribemen and Peasants in North Thailand*, 1967, 92
- 54) The US Congress, Committee on Foreign Relations Subcommittee on US Security Agreements Abroad, *Thailand, Laos, and Cambodia*, (Washington, D.C.: US Government Printing Office, 1972), 93.
- 55) Interview with the former KMT troops at Doi Mae Salong and Tam Ngop, 60. August 1992.
- 56) Tribal Research Centre, Chiang Mai, *Tribemen and Peasants in North Thailand*, p. 94.
- 57) The US Congress, Committee on Foreign Relations Subcommittee on US Security Agreements and Commitments Abroad, *Thailand, Laos, and Cambodia*, 8.
- 58) The Royal Thai Military Report, the Ministry of Defense 0312 (Or Phor Por.25) / 190, 20 January 1973.
- 59) Joseph Westermeyer, "Variability in Opium Dosage: Observations from Laos, 1965-75," *Journal of Drug and Alcohol Dependence*, Vol. 9; (4 August 1982), 8.
- 60) *Far Eastern Economic Review*, 22 November 1984, 49