

CNAC CANNONBALL

ASSOCIATION



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IN LAST ISSUE

I cut the cost by doing some of the Xeroxing myself. It turned out very badly. It meant I had to distribute them piecemeal so your issues came as I Xeroxed a few. This was not worth the effort. This issue will be out the same day.

HOGY TAW

Indian Jim Moore in Bangkok August 1999.

Pat Emory: The last Cannonball was returned, "Deceased". We were never really in touch. It was always interesting that he lived in West Australia. If anyone can add please let me know.

Red Shaus; Tom Sailer April 25, 1999 : Came to most reunions

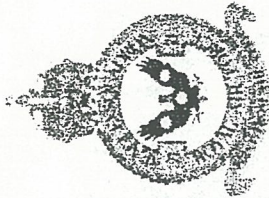
Joanne Gilliland: March 24, 1999

I have included two articles on Indian Jim in this issue. To some members these will be new, to others they will make great rereading. This does not mean that new submissions will not be welcome. All of this material will be preserved in the library and files of the San Diego Aerospace Museum. They are preserving Log Books. They will not be needed in Hogy Taw. Send them to the Museum. This applies to wives and children.



10/10/10
LORCO
LORCO

Indian Jim Moore



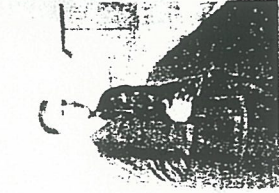
Richard Arthur Moore, Jr. was born in Garland, Texas, on August 18, 1915. He had one brother, Carroll, and a sister, Loulou. His family moved from Texas to Oklahoma when he was very young.

Bob, as he was known during his school years, graduated from Duncan High School in Duncan, Oklahoma, in 1935. He was an avid sportsman, lettering in football in high school and winning numerous awards and medals for various other sports.

Bob went on to complete four years at the University of Oklahoma. Once again he was active in sports, playing intramural basketball and boxing.

In 1939, Bob was accepted into the U.S. Army Air Corps as a flying cadet. He received his primary training at Lindbergh Field in San Diego. However, in 1940, before the United States' entry into World War II, Bob decided to join the first group of American volunteers to head out to Europe to fight the war that was already raging there. He became one of the elite group of fighter pilots known as the Eagle Squadron, R.A.F. (Royal Air Force). Because Bob was tall and dark, he was mistaken to be part

American Indian, a misconception Bob never bothered to correct. It was at this point in his life that he went from being Bob Moore to becoming "Indian Jim" Moore.

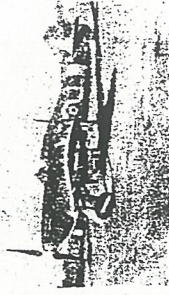


Jim was with the Eagle Squadron for over a year as a combat fighter pilot, flying Hurricanes and Spitfires. He was discharged in 1941 for medical reasons and returned to Oklahoma where his family still lived.

In 1942, Jim was recruited by CNAC, the China National Aviation Corps. In the early days of World War II, CNAC

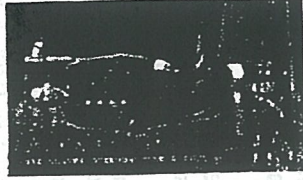
operated most of the airflights in the China, Burma and India Theater of operations. The flight across the Himalayas, between Kunming, China, and Assam, India, was known as the "hump." The transport routes flown by the "hump pilots" were some of the most treacherous and difficult to maneuver. A typical flight covered more than 500 miles over numerous mountains in the High Himalayas, many from 14,000 to 16,000 feet above sea level. The "hump pilots" worked with primitive airfield conditions at both ends in extreme weather conditions and their flights were subject to enemy attacks. The official Air Force History of the theater recorded that: "Every vehicle, every gallon of fuel, every weapon, every round of ammunition, every typewriter, and every ream of paper which found its way to

Free China for either the Chinese or the American forces during nearly three years of war was flown (over this route.)"



Jim continued to fly for several years as a civilian pilot.

In 1952, he came the first time, married Anna, and they had their first daughter, Patti-dan.

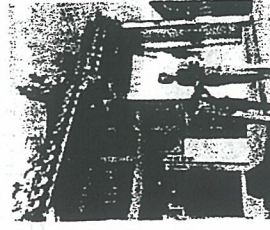


In 1957, Jim Lebanon, where daughter, Mei A few years later, to their son who ter his father, Moore.

moved to Beirut, his second Ling, was born. Anna gave birth was named after Robert James

While in Beirut, Jim opened a flying school where he instructed pilots-to-be the fine art of flying an aircraft. He later became part owner of a luxury hotel, the Beirut Commodore Hotel. To this date, the Beirut Commodore is still standing, having survived the numerous wars that have taken place in Lebanon.

Jim returned and settled in he stayed for his days. Life full of adventures commuted and Vientiane he oversaw Leeville, a vital community had close encounters with the communist regime and, according to Jim, had to flee the country with the Pathet Lao soldiers close on his heels.



to Asia in 1961 Thailand where the remainder of continued to be tures for Jim. He between Bangkok ane, Laos, where the operation of planned residency. Here, he counters with the

Five-star hotel rises from ashes of Beirut conflict

Ad. 20. 96 by CIRA/NORTON WALKER

In a recent issue of Life, the veteran NBC correspondent... [Text continues describing the Beirut conflict and the rebuilding of the Commodore Hotel.]

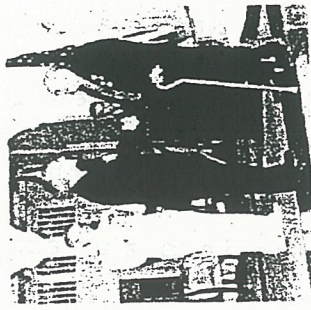


A former unloads bags at the new Commodore

In 1990, during one of his trips to the U.S. to attend various flying group reunions, he developed an ulcer in his left foot, which eventually led to the amputation of his leg, just below the knee. At the ripe old age of 75, Jim had to learn how to walk all over again using a prosthetic leg. As with all other obstacles in his life, Jim overcame this new challenge and could soon be spotted traveling around Bangkok and Hua Hin on the back of a motorcycle taxi!



In 1994, the United States Government finally recognized the civilian pilots who flew missions during World War II as war veterans. As a former member of CNAC, Jim was given an honorable discharge from the U.S. Air Force and was presented several medals, namely, the World War II Victory Medal, the Presidential Unit Citation Ribbon and the Asiatic-Pacific Campaign Medal with three bronze service stars. The bronze service stars represented participation in the India-Burma, China Offensive and China Defensive campaigns. Jim also received the Honorable Service Lapel Button. In addition, the Secretary of the Air Force awarded Jim the Distinguished Flying Cross and the Air Medal in recognition of meritorious achievement while participating in aerial flight.



At a ceremony in his honor, on August 11, 1996, at the residence of the American Ambassador to Thailand, Ambassador William H. Itoh, along with members of the U.S. Air Force, officially presented these medals to Jim. It was a proud moment for Jim and everyone who was in attendance that day.

Ode to Grandpa: Echos of You

By Marissa Lelani
9-9-99

Here some random memories I have of you
Baking, Bangkok scorching heat, pineapple goo

Your scratchy chin when I was small
And thinking you were super tall

Your stories of your close escapes
And watching sports and boxing tapes

That set of elephant pajamas
And cereal with chopped bananas

Your beach house and your moldy cheese
Your phone hellos and grandpa sneeze

How the doctors "stole" your leg
Your ponytail hung from your head

And even in these later days
Right before you passed away

Even when you couldn't speak
Your character didn't leave

And here above are just a few
Echos I have left of you

ROBERT JAMES MOORE
OR
HOW HE GOT HIS NAME

The following is a transcript of a tape made about 2 years ago at dinner in N.Y.C. Jeanne and Bus Loane, Mary and I and Jim Moore were there. There was someone else but I don't recognize the voices.

Following the tape is a story I wrote about an adventure in north China in October 1945 just after the war:—

When I was born, a small baby, my parents gave me the usual baby name, a baby name and for some reason it turned out to be Bob.

Now it comes time to go to school, so little Bob Moore goes to school.

They asked, "What's your name, son?"

"My name is Bob Moore."

"Oh, Robert."

"You know in those days in Texas, you could get by with this so they left it go ahead through school, and then into high school, they left it. Bob and then into college and its still Bob. Then along comes a time when you can do something for the America government. Among some of the things you need is a birth certificate. Then I found out my name wasn't Bob. I was named after my father Richard Arthur Moore. I get a social security card and other things. I go into the army air corps as Richard Arthur. So I go before my class mates as Richard but they say we've got all these Dicks and Richards before you got here so we are going to call you Indian Jim. You know how it is, when they start calling you something, you've got to take it.

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So here I am Indian Jim. I'm in an aviation career, so I go over to England. My only one great claim to fame was that I was one of the 5 original Eagle Squadron in England in the RAF in 1940, and my only second claim to fame was when I came back, they wouldn't let me go out and join the Tigers in Burma. I fought with them here in N.Y.C. for months trying to get them to let me go. I had the qualifications, combat experience, but I had this sinus trouble that busted me out of the RAF. They said if you're not healthy for the RAF how can we let you go out there. So that lasted about 2 years, see.

So over there I was Indian Jim. So now I think again, I'll drop that crazy name and become Richard Arthur. So I get a job as a civilian at the old army air corps down at Hensley Field outside of Dallas. As I walk into the office, the first day I go to work, a guy jumped up and said "Indian Jim." So I'm known for another 18 months as Indian Jim.

Then, now I've got them beat. I'm going out to China. I'll get out to China no one will know me and nobody will know what it is. I land there at Calcutta Woody and Mack "Come on. lets go over to that mess there." I get over there and a guy jumps up from his chair and says. "My God Indian Jim." I don't remember who he was now, he didn't stay long after August 1943.

"Was he a Flight Engineer?"

"No, no, he wasn't a flight engineer, he was a pilot. So here we are. Half of my life at that time was Bob all through my education. I'm Richard Arthur just on passport and legal papers. Then as Indian Jim, I'm always

out there. Then I got married. We have a little deal on, me and my wife which is a little contradictory. We agreed that if it was a girl I would name it and if it was a boy she would name it. Now the 1st comes along. The 1st one was a girl. my wife liked Patty Page, the singer. She asked what are you going to name her. Now Sallys chinese family name is very simple, Dan. So what are we going to call the daughter Patti Dan, No other name like it anywhere in the world. It was beautiful till we went to Bereuit with that strong french influence and her name suddenly became Patricia Danielle. I'd lost again.

The second one came on and I was bound and determined I'd get this one right. Its a girl. Mei Ling. Beautiful flower. One of the Sung sisters was named that, Mei Ling. She was never anything all her life till she comes over here to go to school. In California she was always called Mei-ling in school but we always called her Sugar.

So then the 3rd one comes along, and that happens to be Robert. Now somebody really fast talked me. You're the only one who can fly and has flown. We want you to go down to Africa. I don't want to go down there. you have to, you know they twisted my arm a little bit. I finally agreed yes, I'll go. Go to Lejfia and pick up an old C47 fly it down to a little place called Rio Munoz, Spanish enclave down there. Stayed down there about a month. When I got back my wife greeted me. well "did we have the baby." "Yes, we did." "That's beautiful, What was it?"

"It was a boy." "Well what name did you give him?? She said I named him after his father - Robert James.

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You know I went up to Vientiane Laos. I went up there 6 years and I was doing alright up there except I had a few houses. They were a little hard to put in your pocket and swim across the river with, they wouldn't let me put them on the back of my Volks Wagon pick up. I didn't have much choice but to give them to the communists. So I gave them all these houses and everything else. Then I went away but I came back. You know you've always got to go back. Then I stayed there 2 months. They didn't know about it. But 1 or 2 people knew about it. They were looking for a guy named Jim Moore. They were looking for a car he drove with a certain licence number on it. The day before I got ready to go I was living with a fella who got arrested by the communist soldiers. I was watching from a very safe distance which was down the street several blocks. I was watching with my glasses to make sure they were looking for him and not me. I wasn't sure, actually they were after both of us but since I wasn't there, they took him. The next day, I was about to leave. There was a little opposition. . . I went up to the house to get my clothes and my bowling ball - you know you always have to have something and my brief case. There were 2 of these little guys with their AK475 looking out the window at me. You can't run. You can't beat those little bullets that come out of there so I didn't know what to do I just stood there and smiled at them. Eventually I went into the house to get my clothes out. They still pointed those guns at me. They inferred you can't do that, so in the end I left. Then I had a little trouble because I had to go through 2 big road blocks. In the meantime when I left the house till about 2 o'clock in the afternoon when I got ready to really leave the country.

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I had become the No. 1 sought after man in town. No doubt they were after me, I headed the whole list. So when I get down to that 1st road block I pull up in the Volks Wagon not this old Holden. By now I got my passport which says I'm Richard Arthur, not Jim Moore. When I have to clear out and I can prove I'm Richard Arthur and not Jim Moore. I don't drive a Holden, I drive a Volks Wagon I got through and got out of there under this alias name of mine Richard Arthur which I had never used before, ever.

"That was wonderful. I'm glad I asked the question," said Reg

"Trouble is it takes me too long to get to the point, now what was the question?"



Bob Indian Jim Richard Arthur Moore

Indian Jim And Me

by Reg Farrar

Since I was not a pilot I didn't get a chance to travel much on CNAC equipment. Through some friends I learned how to bum a ride on US Aircorps Staff planes. If the highest ranking officer on the flight did not object I could go along with them. I went to Agra, Ceylon, Chungking, and finally Shanghai.

While I was in Shanghai just after the end of the War, I had left CNAC and probably was the first unaffiliated foreigner in Shanghai after the war. Well I had decided to take advantage of the differences in exchange rates between Peking and Shanghai. Both gold bars and US currency were cheaper in Peking, so I took two suitcases of Chinese money and found out where staff planes left Shanghai. I ran into Indian Jim the night before and since I was an expert in obtaining this type of transportation, I generously offered him a ride also.

With the usual ease we were both off to Peking in the morning. Landing in Peking we registered at the Wagon Lits Hotel and went looking for gold bars. To our surprise we couldn't find any, at least at a rate we could pay. It was December and cold. We had four suitcases full of money, but no clothes. I was wearing suntans. For three days we looked but couldn't make the right connection. Then we heard that there was a lot of gold in Tsinan, the capital of Shandong province to the South. The only trouble was that it was surrounded by Communists. We decided to go there, but there was one small detail: US planes never stopped there. Chinese planes did. They did not have staff planes that we could get on, so we took the next most practical way. We attempted to bribe a Chinese Aircorps Officer to take us. This was unsuccessful so we offered a bribe to a US Aircorps pilot. This wasn't too hard but he wanted \$1000 for this short trip. As you can see we were getting desperate (really desperate). We got our trip but we never did pay him. The US Aircorps pilot did all right for we introduced him to opium smugglers and he made a lot of money after that.

We got off at Tsinan. To our surprise there was a US Weather Team there in residence. We rode into the city past lush gardens of Chinese cabbages and arrived at the one western hotel in the city. It wasn't large but they had a room so Indian Jim and I checked into the Stein Hotel. We still had no personal baggage, only 4 suitcases full of Chinese currency. We threw them into a corner and set out sightseeing and looking for gold bars. The city was held by a contingent of Nationalist troops, aided by 25,000 Japanese troops still under arms. There were armed Japanese guards at railroad crossings and trucks filled with armed Japanese were continuously seen on the streets. When they saw us, obviously American, they snapped to attention and saluted. A couple of months earlier and their attitude would have been different.

We visited the gold shops but our approach was still wrong. It was cheaper but they would only sell us 2 ounces. We were

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in a hole, but the food was good, people cordial, the hotel good enough, and we had lots of money. We were not there on vacation so we checked with the weather group who said that American planes did drop in from time to time, so we waited. I bought two scrolls. (I still have one framed in my office) I am told now that the artist is famous. It cost 15¢. If we had bought a few more we would have done well in Tsinan.

After waiting 4-5 days a US Marine fighter-bomber landed. He said he could not take passengers. We must have looked pitiable or he had pity for he risked taking us. We squeezed into a belly seat and we took off. It was dusk, as we landed in Tientsin. We went into the International section to find a hotel. None of them had any rooms. Making an inquiry of a French jeweler we found that he might be able to help us. He referred us to the Daladie Hotel. They didn't have any room either but I engaged the Sigh guard in Hindi and he interceded for us and we were able to sleep in the dining room. Using our suitcases as pillows we managed to survive the night.

The next day we went back to the jeweler and he bought gold bars for us. I'm sure he made a good commission but we did all right too. Rid of our suitcases of money, heavy with 10 ounce gold bars we caught the train to Peking.

Back at the Wagon Lits Hotel we made plans to bum a ride back to Shanghai. After dinner I met a white Russian fur dealer. He had a small shop in the hotel. He sold furs as a sideline I think for we mostly discussed the gold market. He knew all the gold shops and through him I made contact. How easy it was after that. I made 3-4 phone calls and waited. The gold bars were brought to my room and the money counted. The whole transaction took about two hours.

Indian Jim went down country to Shanghai and Calcutta to look for some money that had mysteriously disappeared and I lingered in Peking. Temporarily diverted into a new business which I now call Broker: Gold and International currency. It was not so considered then but that was another time.

THE CANNONBALL

Preview: Roy Farrell's book will continue to be serialized

Clinton Mangaus autobiography will be excepted.

The Best of the Cannonball. Several of the best stories will be represented.

Robert B. Sherwood

317 N. State Street #201
Bellingham, WA 98225

Phone 733-4585
Fax (360) 733-4585

Dear Reg:

When I first signed on with CNAC they sent me to instrument flight school in Fort Worth, Texas. Going with me in the fall of 1944 was Melvin Smith, a short, laconic fellow from Hays, Kansas who told me he had attended a teachers college there. I asked him if he had been to Texas before. He replied "Bob, this is the first time I have been outside the barnyard". Later after we were flying on the Dinjan to Kunming run, Lowell Thomas, the newscaster, was at Dinjan bumming a ride. Smith took off 5 minutes before me and Thomas went with him (to my disappointment). He was impressed with the trip and told Smitty "If you ever get to New York be sure to look me up". In Dec. 1945 we did get to New York and I asked Smitty if he was going to call Thomas. He replied "Bob, I would not think of such a thing." Recently I got to wondering what happened to him. I wrote to the town clerk in Hays, KS inquiring about him. This morning I had a telephone call from a young woman in the office of the college there who told me my letter had arrived at the college. She said that Smith had died in 1988, that he apparently had never married and left no survivors. I now, of course, regret that I had never attempted to locate him before.

I enclose a picture of Tud Tarbet and me with a United Airline pilot friend of Tarbet taken I think at the Coconut Grove in Los Angeles before we left for India in the fall of 1944. The entertainer there was Sophie Tucker who belted out "Some of these days you'r gonna miss me honey!".

Regards,

Bob *Bob*



CHINA NEAR MISS

By CAREY BOWLES

San Hu Pa Airport at Chungking was a unique place in many ways. Chungking, of course, was the wartime capital of China. The airport served as the airline terminal of China National Aviation Corporation, a joint venture of Pan American Airways and the Nationalist government of China.

The airport was situated on a sandbar island in the Yangtze River just below the city which was on a high hill hundreds of steps above. The runway was 700 meters (only 2200 feet) long and paved with oversized cobblestones. In the summer the river would rise many feet due to the monsoon rains upstream and completely cover the airport. By this time, the terminal building would have been disassembled and moved to higher ground.

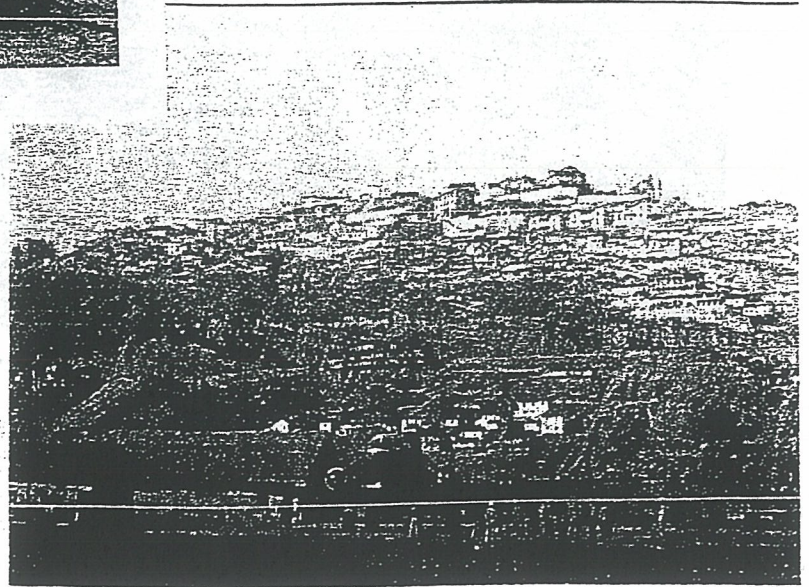
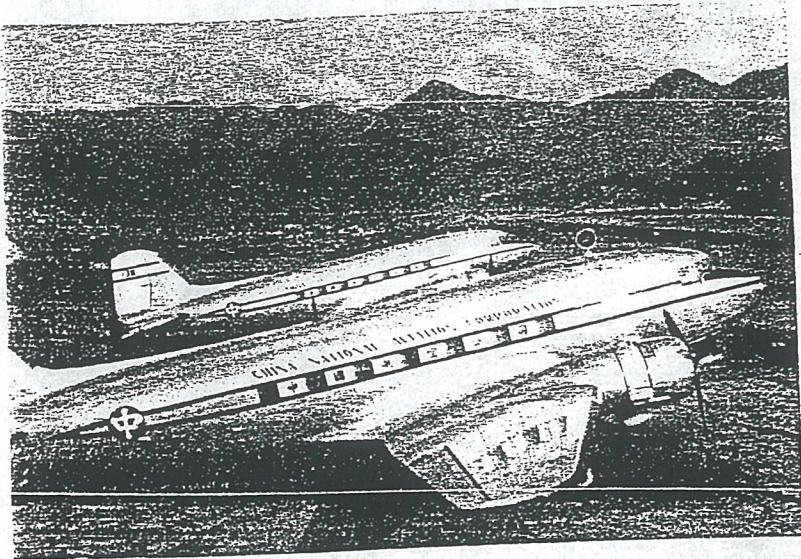
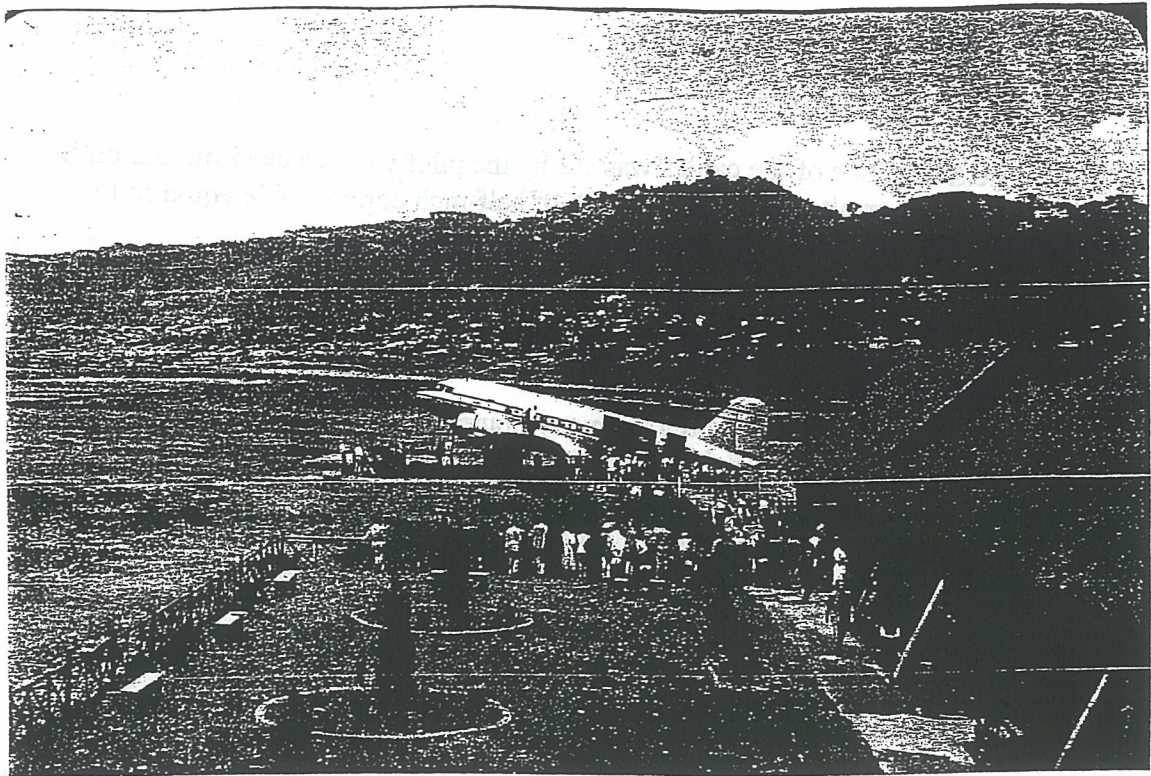
Chungking was noted for having about the worst weather in China. This helped protect it from Japanese bombers, but was no help to pilots operating into San Hu Pa; low ceilings and poor visibility shrouded the area most of the time. Icing was bad through a large range of altitudes in winter. If this were not enough, there was a pair of high tension electric cables just short of the runway on final approach and just after take-off. We always landed to the East and departed to the West.

During the war, CNAC ran scheduled passenger flights from Calcutta once a week to Chungking via the hump route. Once a month the flight would continue from Chungking to Lanchow on the Yellow River to Hami in the Gobi Desert. That was the sum total of passenger schedules in Free China as long as the war lasted. These flights were flown only by the most senior and experienced CNAC pilots.

When the war ended suddenly, we hump cargo pilots overnight became passenger plane pilots. I was among the most junior and was checked out on the Chungking operation by an only slightly more experienced captain. The weather was good that day and we made the approach, descending from over the ADF beacon in VMC going away from the airport. At minimums, we turned left, found our way back over the wires and landed.

I had made several trips into San Hu Pa in reasonable weather without difficulty. It was now a busy place with people standing in line to fly home to the big cities in the East after years of hiding from the Japs in Western China.

On January 30, 1946, I flew a passenger DC-3 from Shanghai, my new base, to Nanking, Hankou and terminated at Chungking. The tower reported ceiling 700 feet (100 ft. below minimum) and visibility 1 mile. I decided to make the approach (mistake #1). When I broke out of the clouds, I made a left turn (mistake #2) and headed down the river, looking for the left bank in the murk. At the low altitude and with the bad visibility, I s-turned a few times getting lined up with the left bank and thought I saw a line of boats that we used as a signal to begin final descent (mistake #3, it was a different line of boats) and started descent. I soon realized that we hadn't passed the wires yet and went down almost to the river, barely clearing the masts of several boats. I saw the wires go by but couldn't tell whether they were above or below. I saw the airport at about 10 o'clock and made a quick s-turn, still turning as we touched down on the right wheel and rolled to a stop. On getting out of the plane, I noticed that the pitot tubes under the cockpit were bent back against the belly. We must have hit a low telephone line with them.



The very next day, one of the cables was cut by the pilot who checked me out on San Hu Pa. He landed at an alternate with a length of half-inch copper cable equal to the distance between the props.

I made many flights into Chungking during the next year and actually enjoyed them. I bought a stop-watch, put it on a loop of string over the yoke and noted the number of seconds to each of four checkpoints along the river bank and always made a RIGHT turn to line up with the bank.

I am sure that if I had not instructed for many hours in a military flight school, I would not have been confident and proficient enough to make that s-turn and landing. I'm sure I had a little help, too.

SEAT TO TURN LEFT

It is always easier for a pilot in the left for better visibility, but sometimes it's better to turn right on instruments and let the right seat pilot look in the direction of the turn.

Figure 1 shows the proper approach; figure 2 shows my almost catastrophic pattern.



Alexanderson from Guillumette

Chungking, the airport on the island in the middle of the Yangtze and the mountains on the South Bank.

CKG

C. N. A. C.

Revised
Oct. 11, 1945

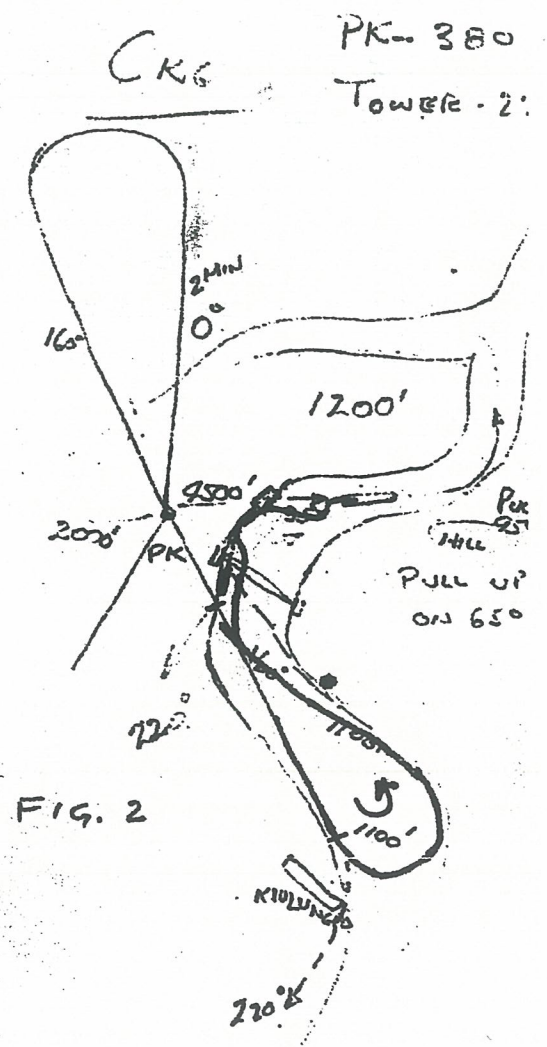
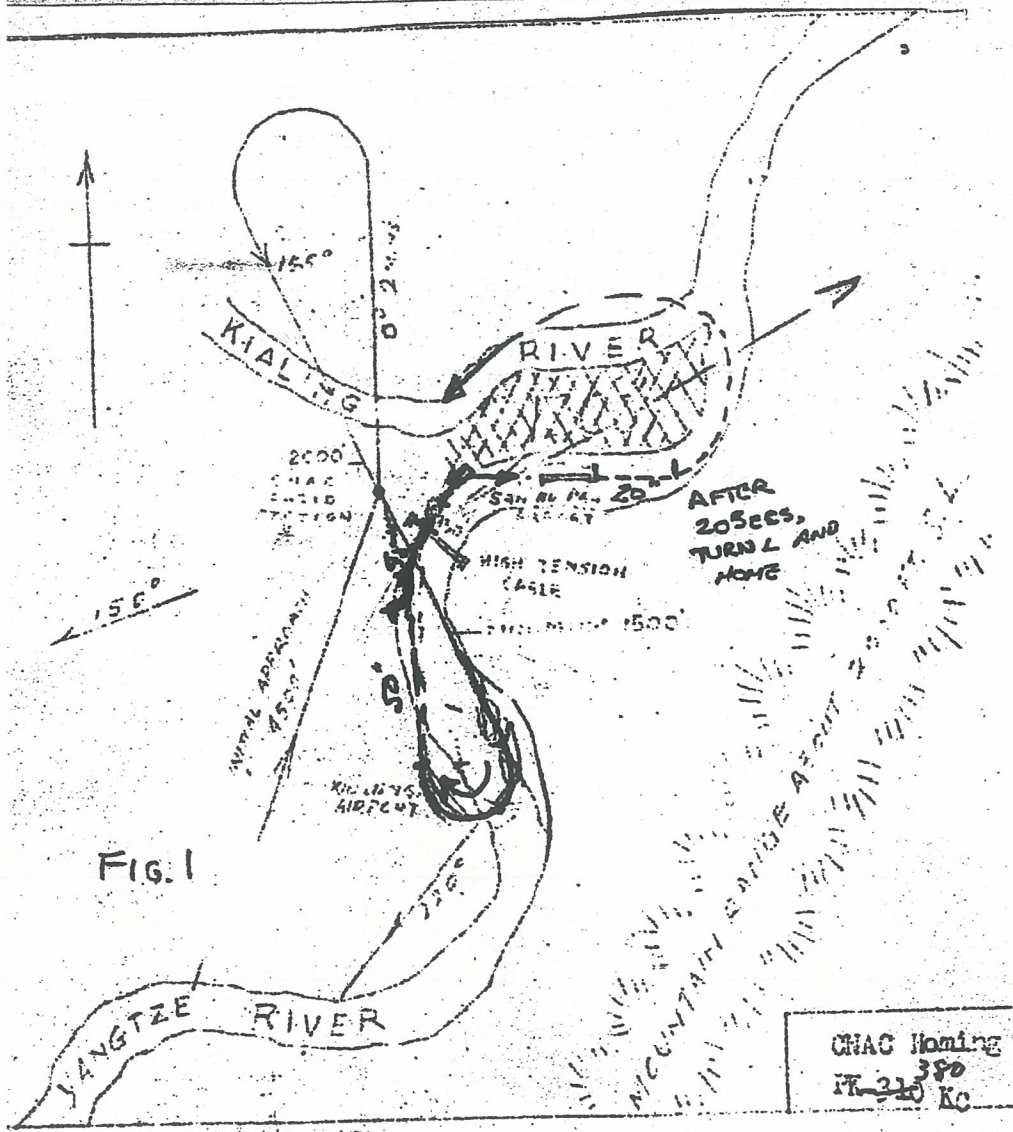
Radio Let-Down Procedure

San Mu Pan and Kiu Lung Pu Airports, Chungking, China.

San Mu Pan Airport
Long. 106.60
Lat. 29.60
Altitude 600'

1. EW runway - 2400 ft.

Initial approach 4500 ft. Pass over station on 0° and continue for 2 minutes letting down at 500 ft. per minute at 110 M.P.H. I. A. S. Make left turn and head towards station on course 155° passing over station at 2000 ft. After passing over station let-down 500 ft. per minute to minimum 1500 ft. at 110 M.P.H. I. A. S. If contact with ground not established within *25 seconds* after passing over station turn to 220° and climb to safe altitude. After contact with ground established proceed to whichever airport to be used by contact.



Roy Farrell
continuing

CRASHES, RESCUES, AND LOSSES

Before I left operations on October 29, 1943, Jim Phillips told me I would be flying as co-pilot for Hank Smith on a Suifu flight the next morning. We had an early morning take-off and Hank seemed to have regained at least a portion of his usual sense of humor. As we were walking back toward the plane, he said, "Remember, no mag checks today."

We headed for the 70° pass, overflowed the lonely British outpost, Fort Hertz, and over two walled cities. One of these had four walled cities inside the main wall. On we went past Likiang Mountain, thrusting a snow-covered peak 19,400 ft. into that blue, blue sky. From Likiang we were headed to pass just on the north side of one of the world's most beautiful lakes, water as blue as skies are supposed to be. In the center of that lake, we saw an island with a small path cut in its vertical sides. The spiral pathway wound round and round the island protruding possibly 2,500 ft. from the surface of the lake. Most people would overlook the island, but Capt. Smith called

it to my attention, and we marveled at the chipping and hammering it must have taken years ago to chisel a path to the summit of that solid granite pinnacle. From the lake, we made a downhill flight to our destination: the sod-landing strip hidden in a U-bend where the Ming River joins the Yangtze. Tall mountains on all four sides broke the skyline.

On this trip, I had not checked the mags, but the engines were running rougher and rougher with every mile. Obviously, the plane needed maintenance. So, before sitting down for our Sunday dinner of fried chicken (with bones black as coal or a ball of raw opium), three of us ordered sedan chairs to carry us into Suifu.

Finishing our meal, we stepped into sedan chairs. A sedan chair of this sort seats only one person. It has a cage-like appearance with a long pole on each side. Four coolies, one on each end of the two poles, provide locomotion. A few minutes later, we made a steep ascent and, as we began turning (mountain on the inside of the turn), I looked down. The river wandered 400 or 500 ft. below, with nothing between it and me except air. When our paths straightened out, all of us decided to walk and forego the "comfort" of floating through thin air. Our five-mile walk into town was uneventful, and we were in luck: some of the local people had been down the Yangtze and spoke a dialect

our Chinese radio operator could understand. Finally, an interpreter!

Suifu was a clean inland city. It resembled a small Spanish village in that it had a town "square." The people seemed to be happy and content.

Two Sundays later, however, I returned to Suifu and the scene was no longer serene. Five smelly bodies hung by their necks in the square, and bit by bit I learned why the cities on our northerly routes were walled.

Every two years, Tibetans raided the south, capturing young girls, commandeering excess grain crops, carrying both back to Tibet. These particular Tibetans are different from those in the western section of Tibet. Most people in Lahasa are quite small, whereas those in the east are tall, large even by Western standards. As I was given to understand, bi-annual raids had been going on for centuries, and presumably walled-city inhabitants had come to accept them as inevitable.

On this particular raid, however, nobody had told the raiding party the Suifu residents had acquired modern weaponry. Out of a raiding party of 50, 40 were killed, 5 were hanged, and 5 were turned loose to go home and tell their friends how a New Era had arrived -- the party was over.

We walked back to the airfield in mid-afternoon. Because repairs to the plane were just about complete, we set take-off for early the next morning.

On the morning of October 26, 1943, the morning after Japanese bombed our airfield, Capt. Hockswender became confused during his return from China. He mistook Dum Duma Airport (60 minutes east of Dinjan) for the Dinjan airstrip. Just as he was about to touch down, the tower

advised him his landing gear was not down, so he applied power for a go-round. On his second landing attempt, he overshot the runway and rolled off into the river on the south side of the field. Chinese reports of these events said,

"First time, field--no wheels.
Second time, wheels--no field."

We departed Suifu on October 31, 1943 and landed at Ft. Herts, the most northern British outpost in Burma. Before we stepped from the plane British soldiers were swarming all over us. Their only communication with the outside world was very poor radio reception or wireless communications. They were starved for any kind of news we had about the outside world. We had planned a stop over of only a few minutes but stayed about two hours to fill them in on current events.

When we left Ft. Herts Hank decided to land at Dum Duma to see what kind of shape Höckswender's plane was in. We found in sitting serenely in a clear water river with its landing gear down and the gentle rippling water barely touching the underside. A few days later the plane was pulled from the river, dried out and put back in service.

Then on ^{November 19, 1943} I was assigned to be co-pilot for Capt. "Cookie" Cook. When we arrived in Kunming, Operations told us we would be on a special mission and we could take off at the captain's discretion. The mission? To fly a sick airplane back to Calcutta for a change of both engines. We took off that afternoon and made it as far as Yunanni, a 180-mile hop. Cookie landed there to have army mechanics inject a bit more life into those tired, worn-out engines. The next morning, Cookie decided we probably could make it as far as Dinjan--if we weren't intercepted by Japanese fighters. We had to fly a southerly course,

CNAC/55

because the engines were so tired they couldn't gain the altitude needed for crossing the higher peaks. Our route put most of our trip deep into Japanese-controlled air space. Doing everything possible to avoid being sighted from the air, Cookie almost taxied the whole route: it's always more difficult to spot low-flying planes than those at a higher altitude.

Finally we limped into Dinjan, and mechanics there worked on the engines two days. Off we went again, still in the direction of Calcutta, but once more we had to land --this time at Tezpur, an Army Air Corps base on the north side of the Bramaputra River. While Tezpur mechanics worked on the engines, we became acquainted with the crews of four B-24 planes making survey flights between Tezpur and Chengdu. B-29's would follow later and start their raids on Japan, with a departure point from the Chengdu airfield. At last, two days later, we limped into Calcutta for some well-deserved R&R.

On November 19, 1943 when we arrived back in Dinjan, I walked into operations, and Jules Watson was having a heated discussion with the operations head. Jules had just completed a half-trip from Kunming to Dinjan and was telling operations he would not return to China with the same captain he'd just finished the half-trip with. Operations told him he would return with the same captain or be fired, so Jules flat quit. When operations saw how intent he was in not flying with the same fellow, they reassigned him. The captain and the replacement co-pilot were killed on their return flight back to China.

The next night, I received my assignment to fly with Capt. Chuck Sunby. We took off and, at about 400 ft., Sunby turned the flying over to me. He walked to the back of the cabin and back to the cockpit. Back and forth he walked the entire trip until it was time to land in Dinjan. He had walked across the entire Hump to get in his daily exercise.

Having flown several trips as Cliff Groh's co-pilot and a couple of trips with Chuck Sunby, I saw flying the Hump as a bowl of cherries with no pits. Not one glance had I seen of the rock piles, save those from soft moon- and star-glow. No bad weather. We had had a constant 5° drift from the southwest, no turbulence, no clouds, and very few bumps. Even though we had no navigational aids, it was becoming apparent to me that the hazards of Hump

flying had been exaggerated beyond actual conditions. Over-kill in the caution department, I thought. But then I was assigned as co-pilot with Bus Loane as captain.

Reality sets in. The night was ordinary, calm and balmy with no trace of bad weather conditions between the Assam Valley in India and the route lying between Dinjan and Kunming, China. Captain Loane made a normal take-off and started our climb to 17,000 ft. on a 120° heading. About half an hour later, we began to see flashes of lightning, almost continuously, directly ahead of our path to Kunming. Soon we were in a storm system 200 or 300 miles across. The turbulence strained our seat belts and subjected each of us to roughness almost beyond physical tolerance. Our vision was sharply limited; we endured an almost constant state of blindness from the brilliance of lightning flashes, one immediately following the other. St. Elmo's fire would brighten all leading surfaces; then, when we entered a cloud of an opposite electrical charge, balls of fire would burst with a deafening roar. We were eating the pits from the bowl of cherries.

After about two hours of this chaotic trip, I began to decipher parts of voice transmission through all the static in my earphones. What I heard was from pilots a few minutes ahead of us who had cleared the storm and were flying in a bright moonlit night. I told Capt. Loane what they were saying, but he couldn't hear me -- or decided to

disregard what I was telling him. He made a 180° turn and headed back to India. We played a re-run of the previous interminable time we'd spent in turbulence, turbulence rough enough to snap all rivets holding the wings and fuselage together, or so it seemed. We arrived safely back in Dinjan and headed for the hostel. Both Bus and I had had all the flying we wanted for one night.

This violent storm was not much different from previous ones, nor from many in the future, but we were very fortunate in one respect: we had no icing conditions. If there had been bad icing, chances were probably 100-to-0 we would not have made it back to our home base. CNAC didn't lose any planes that night simply because very little traffic was in the air, but subsequent similar storms took a heavy toll of crews and planes.

In many instances, pilots flying the Hump retained little memory of their American co-pilots, but a Canadian-Chinese pilot, Al Mah, remembers my one and only flight with him--in minute detail--about the 10th of December. Capt. Al Mah and I cleared operations, then customs in Kunming, and were walking toward our plane.

"What're you carrying in that case, Captain?" I asked him.

"A saxophone," he replied.

We were too busy with pre-flight checks to continue our conversation for a while. We took off and climbed to

our cruising altitude. Then, "You play a saxophone?"

"You bet."

"Do you take requests?"

"Sure." He took his sax from the case and asked what I'd like for him to play. We were at 17,000 ft. and at that altitude oxygen is scarce, but Al kept on playing one request after another. He COULD play that saxophone. When it was let-down time, Al put his sax back in the case, but he'd been playing more than two hours with too little oxygen. On reaching the hostel, he fell into bed and was asleep before I finished tucking the mosquito netting under his mattress. He didn't come to for 28 hours.

Not only was Al Mah a good pilot and an excellent saxophone player, he was also a young man of rare courage. He grew up in Canton and, all the time he was flying for CNAC, his mother was living in Canton. Canton and most of the territory between Kunming was under Japanese control, but Al decided he had to go see his mother, almost 1,100 miles from Kunming. He received flying-leave permission, went to Canton, visited with his mother, and was back to flying in about six weeks. He had traveled through hundreds of miles of Japanese-occupied territory, posing as a deaf-mute Chinese coolie. Such a trip took real courage and, also, it took "street smarts" to go and return safely. I consider knowing Al Mah a distinct privilege.

Earlier, I'd finished my required number of flights and, again, deadheaded back to Calcutta.

Again I encountered ground transportation threading its way through thousands of Indian men in their *dhoties* and Indian women in their *saris*. A day or so later, I got in a Pierce Arrow taxi with its Sikh driver and gave instructions for the Royal Calcutta Golf Course. Because I was still -

a co-pilot, my remaining in the Orient depended on my progress toward becoming a captain. Taking nothing for granted, I acted with the knowledge that I might be with CNAC only a short time. All I wanted (and I asked for nothing more) was permission to play the golf course for my first time.

I rented a set of clubs, and the caddie master assigned both a caddie and a forecaddie to me. The forecaddie's duties were to go ahead of the player on each stroke and have the ball located when the golfer arrived at its resting place. Also, I soon learned, the forecaddies had been taught.

to make sure the ball had a good lie if it had happened to wind up in the rough. My forecaddie refused to understand he was to leave my ball exactly where it lay in the rough: not to touch it. Only after I spoke with Mr. Langston, secretary of the club, could the caddie master understand my insistence that the forecaddie was NOT to improve my lie.

After we got that straightened out, I finished the 18 holes, entered the locker room to shower and put on another

set of clothes I'd brought with me. When I was seated to begin undressing, a bearer approached and removed my shoes and socks; next he wanted to help me undress. I felt thoroughly capable of undressing myself and shooed him away. When I stepped from the shower, here he came again--this time with a towel, wanting to dry my body and help me dress--from the skin out. Again, I got rid of him. After a relatively few times of playing at the Royal Calcutta Golf Course, however, I was allowing the bearers to assist with my undressing, drying off, accepting a rub-down, dressing in fresh clothes--and enjoying every moment of it. I was learning something about myself I hadn't known before: I could adapt to luxurious foreign customs and traditions *real easily*. (But I still insisted that the forecaddies leave my ball untouched when it fell in the rough.)

During my first 18 holes, I saw something which at first was confusing. Then, for the remaining golf games I played in Calcutta, it was a constant source of entertainment. On about the 4th or 5th hole, an older fellow, an Englishman, across from me on another fairway would be running madly, swinging his club wildly in the air, and shouting, "Drop it, you bastard! Drop it, you bastard!" A vulture would have descended, picked up his golf ball, and would be flying in the wrong direction down the fairway. With each flap of the vulture's wings, the golfer was

losing distance. Almost invariably, the bird would eventually drop the ball, but sometimes the last the golfer would see of his ball would be the vulture disappearing over the horizon.

Sometime later, when I checked in with operations at Dum Dum in Calcutta, Capt. Bill McDonald invited me to a Sunday breakfast of curry and kabob at his top-floor apartment in Fountain Court. Later, he said, we would play golf at the Royal Calcutta. For me as a young co-pilot, such an invitation was equivalent to receiving an invitation to join royalty, perhaps with an official family for the coronation of a new king or queen of England. The "Burra Sahibs" were including me in their Sunday ritual of a couple of gimlets, followed by a curry-and-kabob breakfast, followed by golf with an elite group. Soon after arriving on the first tee, I learned how the members played and enjoyed their golf games.

On the first tee, they had constructed a *shambayana*, a small open-ended shelter of reeds and palm fronds. The *shambayanas* served one purpose only: to dispense a brandy or two to calm the nerves of anxious golfers before their first tee shot. From the first *shambayana*, golfers needed above-normal perseverance to endure their trials and tribulations until the fifth tee, the location of the next "oasis." Fortified with more liquid courage, the golfers set forth for the 11th tee and additional respite. After

two more arduous holes, we advanced to the 11th tee again (numbers 11 and 13 tees were side-by-side) where the same libations and bartenders provided a final burst of energy. The most arduous task of the day was that of making it all the way back to the clubhouse without liquid fortitude. A shower and clean clothes--with bearers undressing, drying off, giving a good rub-down, then dressing the weary golfers--served as splendid restoratives, and the morning golf game would come to an end.

You realize that all these institutions, training, and tradition came through the courtesy of the old-time British "empire builders." They must have led a tough life, but they somehow "muddled through" and taught us how to, likewise. Some tennis, a few visits to the horse races, capped off with swimming and partying, and we were supposed to be rested: ready to return to the Assam Valley and more Hump flying.

On my second trip back to Calcutta (November 1943), George Huang stopped by the hotel--where Gibbie Gibson and I were staying--and asked if we would like to move in with him and his wife, Babs. We had met George up-country. He was a well-built fellow, born to a Scottish mother and Chinese father. We hadn't met his wife but soon learned she was a beautiful Eurasian woman with Hawaiian, Chinese, and Polynesian ancestry. Not only was she a beautiful girl, she was an equally fine, entertaining hostess.

George and Babs had a large two-story home on the outskirts of Calcutta, built by an old "British Empire Builder." George Huang taught me an incredible amount about the Chinese, Orientals, and Oriental etiquette. With a Scottish mother and Chinese father, he could be Western in behavior and attitude and then, in a flash, shift to being completely Oriental. The differences, at first, were imperceptible to me, but as he and I became better acquainted I began to see the broad differences in the facets of his personality. On each of my return trips to Calcutta, after flying my hours each month over the Hump, I learned more and more about India, the caste systems, the different ethnic backgrounds of its people. Over a period of time, I saw Indians walk barefooted across long beds of red-hot coals and emerge without burns.

Eventually I came to realize that one could spend maybe 100 lifetimes in India and then only begin to have MAYBE a few small insights into a few parts of the mysteries of this

sprawling nation. In late 1943 and early 1944, a shuttle-service of U.S. personnel started rotating through India. Almost without exception, each person would return to the United States, telling everybody from "first-hand" knowledge "all there was to know" about India. This irritated the hell out of me,

By the way, just as a general note, with no time sequence involved, something else sticks in my mind as an on-going Calcutta routine. Each morning whenever I returned to Calcutta, I used to enjoy having an early breakfast and going for a walk. I could scarcely believe what I was seeing. Dump-trucks seemed to pick up more and more loads of bodies of natives in those early morning hours. An Indian merchant named Surahwadi (they called him "the uncrowned Prince of Bengal") had cornered the rice market and, almost immediately thereafter, raised the price far beyond the means of thousands of his countrymen. Deprived of rice, their "food of life," they slowly starved to death. Each morning, dump trucks toured the streets of Calcutta and carried the bodies to burning ghats on the banks of the Hoogley River. The city provided just enough wood to cremate the bodies partially, and after being partially cremated, each body was thrown into the river to be devoured by crocodiles. You understand that my seeing those hundreds of bodies disposed of in such a manner has made a life-long impression on my mind.

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MONUMENTAL PRODUCTIONS

3125 Colby, Suite B
P.O. Box 1946
Everett, WA 98206



June 18, 1999

MR. REGINALD FARRAR, M.D.
319 EUCLID AV
LOCK ARBOUR, NJ 07711

Dear MR. FARRAR, M.D.:

Monumental Productions and its award winning staff is honored to have been commissioned to produce a feature length documentary on the history of CNAC. "Dragon Wings: The Story of the China National Aviation Corporation" is scheduled to be completed this fall. I am truly delighted to have the opportunity to work with your association in telling your story, particularly the origination of the Hump routes and the Hump airlift.

This production, documenting the history of CNAC, was launched at the reunion last year in San Francisco. We have now arrived at the most critical part of our research - YOU! Toward that end, we are now soliciting memorabilia for inclusion into this most important project and hope you will participate.

For those of you who were at the convention last September, you heard our plea for the contribution of photos, film, letters, diaries, log books, and memories of your time with CNAC. And for those of you who were not at the convention, this will be the first and only opportunity to ask for your help and support in supplying those items.

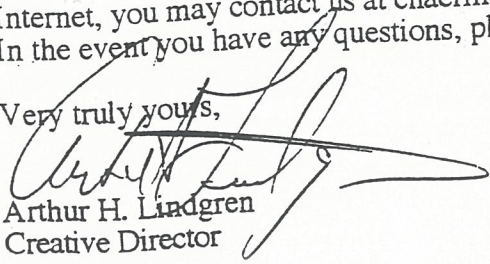
In order to tell the full story, in a way that will touch and involve future audiences, the film must convey your emotions and thoughts about your time with CNAC. The experience of strange lands, cultures, languages, customs; your feelings of anger, fear, frustration, joy, despair, and exultation; experiences with the friends you made and the enemies you fought will bring the story alive! Your bosses, girlfriends, fellow veterans, letters to home...all will add to the human side of the production. We want to know your thoughts and stories relating to the weather, the equipment, the food, the take offs, the landings. Tell us about how you lived...how you played...and how you survived. We want to hear about the practical jokes, the feuds, the conversations. Tell us about mission planning, strangest cargo, your feelings about a certain aircraft, your initial thoughts on flying over the icy rooftop of the world...

For the women who were employees of CNAC or wives remaining at home, we need to hear your voice on how the war affected you. The bitter and the sweet. The feelings that ran through you when your husband or boyfriend returned home alive and well. The devastation you felt when you knew he was wounded. The awful sense of pain when you knew he would never return.

The story of CNAC is an important one. Future generations are relying on us to tell the story of a time when we were all for one and one for all! Together we can set the record of the critical importance of the greatest airlift of its day and the people that made it happen!

Please send your stories, photos, film, and other items to us by August 1, 1999. We will return the items immediately following the films completion. For those of you who wish to take advantage of the Internet, you may contact us at cnacfilm@aol.com. Thank you for your support on this valuable project. In the event you have any questions, please call us at 425-259-5400.

Very truly yours,


Arthur H. Lindgren
Creative Director

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My name is Jones, Archibald E. I am a recent employee of Seanack, picked up on waivers from the China Tigers - and a hot pilot - for a beginner. Seanack is a fly-by-night specializing in the transport of goodies calculated to better a war effort for the allies. I fly evenings because the highways are less congested, and besides I am a pure and authentic coward allergic to surprises - and bullets. And the Japs are both - surprises and bullets.

Tonight is Dinjan. The evening is a Capricorn night, like the 30th of December 1943. The cargo craft is a C-47 numbered 83. At 19:15 hours I am scheduled to lift off for a three and a half hour to Kunming. The craft sags (sags?) with a 7,000 pound (I hope) load of crates and bags manifested as bronze animal crackers and horsehair sofas and bagels. ✓How does anyone know what's in those boxes - including customs agent Smith, who has been told, it is rumored, to keep his sticky little fingers off certain items as detrimental to his health.

Hindustani customs officer Smith is interrogating the aircraft. Mostly he looks for gold. Sometimes he finds it. He swaggers over to me. "Captain," he sneers, "where have you got it this time?" His personality comes across like a baseball bat over the head. Smith caters to a Scottish accent. A burr with a lilt.

"Huh?" I say cautiously.

"Where'd you hide the stuff today, Captain," Smith snaps testily. Obviously his luck has been rotten lately.

"I got nothing 'cept what you see on the manifest MISTER Smith." It's a hot night in India, but a cold chill swims down my sweaty yellow streak. You never know about this guy. He likes to play games with his mice along with his hide-and-seek job.

Smith swaggers off. He had caught me with 31 shotgun shells one time and threatened me with capital punishment. I had insisted ✓ they were for a duck hunting friend and he had insisted they were ✓ the basis of a plot to assassinate Mahatma Ghandi. After I had whined and screamed for a half hour he let me off on an informal probation.

I turned to the crew chief. "You got something on this plane," I hissed.

"Goddalmighty, shaddup!" hollered the chief. "Do you want the whole country to know about this?"

"Well, I got to know," I blubbered. "After all I'm the guy who takes the rap if Smith finds anything."

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"You fly this buggy to Kunming. The stuff's in a good place," says the chief sarcastically.

"Like where," I scream. "SUPPOSE, just suppose this thing gets lost or busts up someplace and I am the SOLE survivor. You want me to walk out without the loot - and besides, WHAT'S in it for me?"

"A-a-a-w, b--- sh--," howls the chief, "if you got to know it's wrapped up in a chamois in the oil tank."

I look suspiciously at old number 83. The right wing drops a bit. Would a few ounces of gold do that? "Okay," I mutter.

Smith comes sneaking up. "You're cleared, Captain." Doubt and skepticism are etched on his professional customs officer face.

Right wing drooping we roar off down the runway into the gloomy night. The usual number of backfires ensue. We count them. My Chinese co-pilot and I. Eleven - twelve. Silence. B-A-A-N-N-G! Thirteen. A bad number on a murky night. The engines settle down to a grinding, clanking roar - we're on our way.

At 14,000 feet we flatten out and stagger along with 135 knots indicated on the airspeed. The gauges read 180 - 210 and 55 - 75. Cylinder head and oil. The chief told me to pay no attention to these little trivialities - don't mean a thing. ~~Just~~ Just get the thing out and leave him alone. My co-pilot is a hydraulic secretary. Named Ooomm Mwonng. Something. He understands 'GEAR - UPP!' and 'FLAPS-DOWNNN!'. He is also a dedicated fatalist, a mono-linguist and has his own little side line for making ends meet. He makes twice as much as I do.

The right engine burps occasionally and I entertain galling visions of gold bars dribbling through the entrails of the engine. That wouldn't do the gold any good and it wouldn't exactly invigorate the engine either. I got to get my mind on something pleasant, like where are we. It's got to be someplace hilly because drafts are bumping us up and down - about 1,500 feet per minute. The airspeed sags to 120 - then goes to 180. Mostly we ride the draft until we get down to about 13,000. At that point the seat begins to itch and we peer nervously out the window and inch the heading a bit to the south. Everest is 29,000 feet of jagged rock and ice a few inches to the north.

We tune the 'bird dog' to Kunming. The pointer swings around the compass a couple of times and bears vaguely in the direction where we estimate Wichita Falls might be. The fluorescents glow blue and reflect back off the cockpit glass. There is nothing outside except black, and a fuzzy cloud reflection from the exhausts. Mwonng (what a name) and I sit silent in a cocoon - thinking. ~~The time is 22:00, -- Kunming has got to be 45 minutes ahead.~~

The time is 22:00. Kunming has got to be 45 minutes ahead. I roll a trim tab over a couple of points, check the 'bird dog' and take a couple of drags out of the oxygen tube between my teeth. They tell me that too much of that stuff will blacken your teeth. Well, better black teeth than no oxygen. Without oxygen I see spots.

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Little black dots zipping around on a white background. I'd rather have them on my teeth.

I am hearing Kunming radio - and I am thinking maybe I should holler down for a special clearance on account of I got a few ounces of gold in my oil tank. They would like that. It would be a first.

"Kunming radio," I holler, "this is Moneybags eight-three twenty miles (I'm guessing) out at angels (whoinhell dreamed up that terminology) eleven." And tired old Kunming radio comes back with some hash about what I got to do before they let me in. And we go back and forth with the usual routine about me letting down and approaching from down by the lake, except they give all of this in grid language and I got to keep looking at this silly chart with the K-28s and B-50s on it to figure out where I'm supposed to go. And if I don't, they tell me, they'll figure I'm a Jap bent on bombing the Hotel d'Europa and ruining R. W. Prescott's evening off.

We land on the long gravel Kunming strip with the usual crash - it always unnerves me to think of the gear coming up through the wings - right through that oil tank with the gold in it. We're waved into our parking slot and the rabble takes over. Forty coolies with flashlights invade us like hysterical city slickers stamping ants at a picnic.

The station agent shines a light in my face. "Grab a cup of coffee, Captain. We'll have your load on and you can be out of here before midnight," he says in impeccable English. I do hate these educated Chinese who speak better English than I do.

"Nossir!" I scream, "this plane can't go back tonight."

"Why not," he sneers, "you got here didn't you?"

"But...but," I stutters. This thing is getting out of hand. I don't even know who is supposed to pick up the loot. I look over the crowd of characters climbing through the cabin and over the wings. No gas is being loaded, but they check the tanks anyhow. And, I suppose, some disguised hoodlum could be fishing the loot out of the oil tank - yeah, sticking his hand down into 150 degree oil.

"Captain. Captain, go get your coffee. We'll have it ready when you get back." I look at the agent - and grin. I didn't want any part of this shenanigan anyhow. Thirty-one shotgun shells brought over in a brief case for a buddy to shoot a duck was enough smuggling for me anyhow. I'm in the Parker fountain pen league.

"Hey, One Hung Low," I hollers, "I'll be right back." And waltz off with a bit of light hearted alacrity for that lousy cup of coffee.

Claire Chennault and China's "Airline Affair"

by Nancy Allison Wright

CHENNAULT HAD GOOD REASON TO REJOICE. HE AND FIVE business partners operating under the name, Civil Air Transport, Inc. (CATI), had executed a major Cold War coup. After nearly three years of legal maneuvering and political arm-twisting, CATI had wrested the assets of Nationalist China's two airlines from the grip of the new Chinese Communist government.

China National Aviation Corporation (CNAC), 20 percent owned by Pan American Airways (Pan Am), and Central Air Transport Corporation (CATC), a wholly-owned Chinese airline, had been up for grabs since October 1, 1949, the day Mao Tse-tung officially proclaimed the birth of the People's Republic of China (PRC). To stake a claim on the airlines' considerable holdings, the commander of the Flying Tigers fought one of the fiercest battles of his life, not in the air this time, chasing Japanese *Zeros*, but in the courts battling British barristers.

A few years later, Chennault's victory tune changed to a sad refrain. Instead of being honored for what he considered his patriotic duty, keeping 71 planes from the Chinese Communists, he was being accused of fraud, deception and trickery. And this from the man who owed him his salvation: Generalissimo Chiang Kai-shek. Chennault, who once boasted about the ingenious scheme to acquire the planes, now complained that an official of the U.S. government had foisted the idea on him.

Now, 45 years later, the smoke has cleared on the "airline affair," as the British press called China's infamous aviation controversy. Secret U.S. State Department and CIA documents have become available. Participants in the affair have opened their personal files to public scrutiny and historians have sorted through the welter of events.

It has become apparent the U.S. State Department played an enormous role on CATI's behalf, exerting diplomatic pressure on the British government and otherwise manipulating events.

In 1929 China National Aviation Corporation inaugurated its Shanghai-to-Hankow route via the Yangtze River Gorges using Loening *Air Yacht* amphibians. Here a recently arrived Loening receives service before taking off on the Whangpoo River. (Photo Contained in Nancy Allison Wright Collection)

Chinese observers watch a lone Stinson *Detroiter* warm up for its Shanghai/Nanking to Peking run. CNAC inherited five Stinson single-engine, high-wing monoplanes in 1930 when it amalgamated with the Shanghai-Chengtu Line, an outfit which had been running a sporadic service from Shanghai to Nanking. (Photo Contained in Nancy Allison Wright Collection)

Apparently the CIA, hoping to acquire the largest commercial aircraft fleet in Asia for Civil Air Transport (CAT), its covert air operation out of Taiwan, functioned behind the scenes, pulling strings and influencing decisions.

By winter 1948-1949, Mao's Red armies had conquered the whole of northeast China, occupying the ancient imperial capital of Peking on January 31. A week earlier Chiang had evacuated to Taiwan. In a few months Communist troops would surge south, cross the Yangtze and take Shanghai, home base for both Nationalist airlines. Fearing possible hostilities, civil disturbances and sabotage from the takeover, CNAC and CATC transferred their operations to Hong Kong.

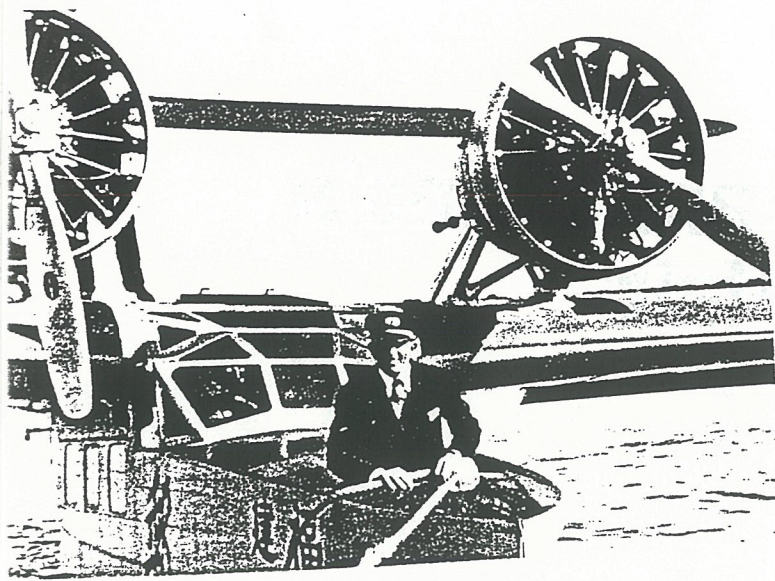
The move allowed both airlines a respite from the disruption of China's civil war, time to regain stability and time to assess their options for the future. One option CNAC favored was to maintain its interior route schedule within China.

For 20 years, China's first continually operating scheduled airline dominated the country's civil aviation picture. Flying Loening *Air Yacht* amphibians, CNAC pilots forged a civil air network along China's lifeline, the Yangtze River. Using Stinson *Detroiters*, Sikorsky S-38 and S-43 amphibians, Douglas *Dolphin* amphibians, Ford trimotors and DC-2s, among others, CNAC linked China's outlying regions—Peking, Chengtu, Kunming and Canton.

During the war this premier airline pioneered the famous Hump route between India and China, airlifting supplies to Chiang Kai-shek's beleaguered forces. Following the war, CNAC expanded its passenger and freight operations until it exceeded by tenfold its prewar size. By 1949 the airline ranked as the 12th largest civil aviation company in the world and the largest, by far, in the Far East.

CATC traced its origin to Eurasia Aviation Corporation, a Sino-German partnership with Lufthansa, the German national airline. Eurasia pilots flew trimotored Junkers Ju-52s and single-engine W-34s. Eurasia's main route, extending from Shanghai to Lanchow and Peking to Canton, complemented rather than competed with CNAC. After the diplomatic break between Germany and China in 1941, the Chinese government assumed full ownership of Eurasia, and in 1943 Eurasia became CATC.

In August 1945 Chiang's postwar government sold 20 percent of the line to Chinese financial interests. Now capitalized for the first time since the war, CATC expanded its fleet. Although a



Ernest M. "Allie" Allison, then CNAC operations manager, poses in the baggage compartment of the airline's new Douglas Dolphin. In 1934 CNAC acquired two Dolphins for its Shanghai-to-Canton run. (Photo Contained in Nancy Allison Wright Collection)

China National Aviation Corporation lured passengers to fly its Shanghai-to-Hankow service by extolling the beauties of the Yangtze River route. This advertisement dates from the early 1930s. (Photo Contained in Nancy Allison Wright Collection)

smaller airline than CNAC, the Chinese-owned enterprise eventually served 26 cities in China, offering effective competition to the giant Pan Am affiliate.

The third significant airline flying China's skies during the postwar period was Civil Air Transport (CAT—not to be confused with CATI, although the same principals were involved). Arch competitor of China's two entrenched carriers, CAT began life in October 1946 as a relief transport flying badly needed supplies into China's interior for the Chinese arm of the United Nations Relief and Rehabilitation Administration (UNRRA), the Chinese National Relief and Rehabilitation Administration (CNRRA). After the United Nations contract expired, Chennault and his partner, Whiting Willauer, exercised their option to purchase the airline. From then on, until the conclusion of China's civil war, CAT functioned, more often than not, as a paramilitary adjunct of the Nationalist Chinese Air Force. CAT pilots, famed for their daring missions, flew government surplus C-46s and C-47s.

When early in 1949 Communist party officials contacted representatives of Pan Am about operating a domestic airline within China, CNAC's American partner grasped at this straw of an opportunity to remain in China.

Among those leading the charge to keep CNAC alive, even if it meant operating the line for the Chinese Communists, were William L. Bond, Pan Am's vice president for the Orient, and Ernest M. Allison, CNAC vice president. As Allison told the *Hong Kong Standard*: "CNAC is attempting to be in a position to take advantage of whatever comes."²

CNAC's American executives believed China's hope for the future lay in their commitment to remain in the country after the takeover and operate the airline. Better the Americans than the Russians, they figured. Also, since CNAC's planes were not equipped for combat duty, the line posed little threat in a military situation. After all, "... the Communists had made all their successes to date without an air force..." Bond reminded State Department officials.³

Bond and Allison were not the only Shanghai businessmen who favored accommodation with the emerging regime. Other Old China hands, particularly the British, felt confident that the new government's need for foreign trade would encourage even

a Communist government to maintain relations with the West. Historians now reveal that during this critical period in America's deteriorating relationship with Communist China, Mao took tentative steps toward establishing a link to the United States. In April and May, he authorized his foreign minister, Chou En-lai, to make confidential overtures to Washington about opening trade talks between the two nations. But feeling rebuffed by American officials, Mao in June formalized his "lean-to-one-side" policy with the Soviet Union.⁴

CNAC's troubles escalated in June when the Hong Kong government ordered the airline to cease construction of its new maintenance facilities at Kai Tak Airport, ostensibly to make room for Royal Air Force flight operations. In truth, local functionaries feared that once the British recognized the PRC, Mao's government would lay successful claim to the airlines. As Allison wrote to his wife, "The British have objected on the grounds it [CNAC] may become a Communist cell in Hong Kong."⁵

Hong Kong Governor Sir Alexander Grantham implored Pan Am to relocate CNAC to Taiwan. But Juan T. Trippe, Pan Am president and founder, was reluctant to prejudice the Communists against allowing his own airline back into Shanghai and so refused. Trippe also worried that if, as an alternative, Pan Am sold its share in CNAC to the Nationalists, the equipment and operation would go to pieces. That scenario would leave CNAC's place in the field of air communications empty, a disaster for China, concluded Trippe.⁶

The confusion and uncertainty China's airlines experienced during spring and summer 1949 mirrored the chaotic state of America's China policy. On the one hand, Truman issued the China White Paper, saying America had served China well; Chiang had been undermined as much by corruption in his government as by Communist aggression. On the other hand, the administration responded to the China Lobby, certain persuasive American generals and other Chiang supporters by postponing trade and diplomatic talks with the emerging government.

Caught in a tug of war between political opposites, the U.S. government chose a safe middle course of non-action or as the official line stated a "wait and see" attitude. This stand left China's airline executives groping in the dark for direction.

On May 3 Chennault addressed the Senate Armed Services Committee, proposing the creation of a "sanitary zone" of anti-Communist resistance in south China. In his scheme, CAT, as well as other carriers, would provide logistical support for a mission to save what was left of Nationalist China. When members of Congress expressed doubts about the plan, seeing it as a last-ditch effort to salvage CAT, then in financial trouble, Chennault offered to relinquish financial ties to the airline. Still Congress remained skeptical.

Washington power broker and CAT financial backer, Thomas G. "Tommy the Cork" Corcoran, however, found a receptive audience to Chennault's ideas—the CIA. Chennault's proposal

stirred the interest of Frank G. Wisner, head of the Office of Policy Coordination (OPC), a branch of the CIA. Wisner, also a man of action, discerned in Chennault a kindred soul. At the time, Wisner was striving to build OPC into a dynamic world-wide covert force to contain the threat of Communism. The idea of using CAT as an adjunct for clandestine assistance to anti-Communist forces fit nicely in his game plan. By October, Chennault and Willauer's private commercial airline was flying with aid from the OPC.

Meanwhile, CNAC plotted its survival. The tangle of events had become a snare. In April the Red Army crossed the Yangtze River and in May Hankow and Shanghai capitulated to Mao's forces. "It was more like an idea than an army moving across the land," said Allison.

As the Communists moved closer to claiming total victory, all three airlines found themselves flying diminished route schedules to fewer and fewer Nationalist-held areas.

In June, the Nationalists blockaded by sea and air all of China's coastal cities held by the Communists. As a result, the Chinese Foreign Office issued formal warnings to American airlines operating in China, advising them to suspend flights to Shanghai and Peking.

Although Trippe realized the noose was tightening on Pan Am's China prospects, he felt certain his nearly two-decade-long association with CNAC would give his airline an advantage over its competitors. At the time Northwest Airlines (NWA) was competing ferociously with Pan Am to obtain the coveted franchise into the new market. But Trippe was determined that Pan Am operate the first scheduled services into mainland China after the takeover.

By late July it looked as if Trippe might get his wish. The Chinese Communists granted Pan Am permission to operate a

commercial service into Shanghai. The consent hinged, however, on two stipulations: The State Department must guarantee safe conduct for American aircraft into China, a condition that would entail breaking Chiang's blockade; and the U.S. government must help preserve CNAC's assets.⁷

The State Department responded to Pan Am's inquiries on the subject by saying they preferred the Americans not serve Shanghai unless China first met two conditions: 1. China must regularize relations with foreign carriers. 2. China must accept a bilateral air transport agreement between itself and the U.S.⁸

Within the State Department the nation's China policy had shifted from accommodation to containment. Reflecting America's civil aviation policy NSC 15/1, government functionaries now held that assistance to Chinese Communist aviation was inimical to the best interests of the U.S. and other like-minded countries. The U.S. government must do everything in its power to keep aircraft out of the hands of the Communists. NSC 15/1, when applied to the Far East, viewed the establishment of Communist airlines as a threat to Southeast Asia's stability.

By mid-August the State Department felt certain they had persuaded Pan Am and NWA not to assist the Communists and not to develop an internal line in China. Communist officials responded predictably. They contended that the U.S. was acting in conjunction with the Nationalist blockade.

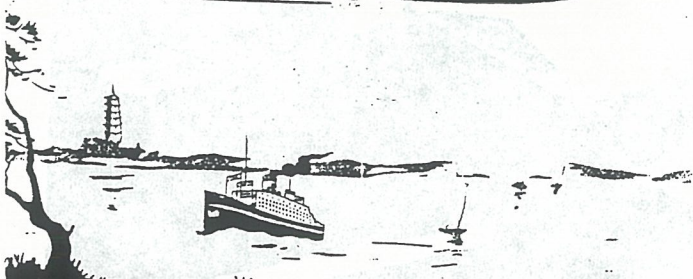
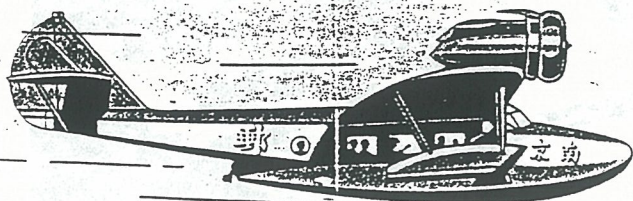
Seeing their hopes for operating CNAC within China withering, Pan Am explored alternatives. CNAC officials asked the State Department's approval to deliver CNAC's aircraft to the Communists, selling them its 20 percent share for \$3 million.⁹ Pan Am estimated CNAC's worth at \$15 million, assets in the United States amounted to \$1.7 million and in Hong Kong \$3 million.

Alternately, Trippe proposed taking over CNAC and operat-

CNAC AIR LINES CNAC AIR LINES

THE YANGTZE RIVER ROUTE

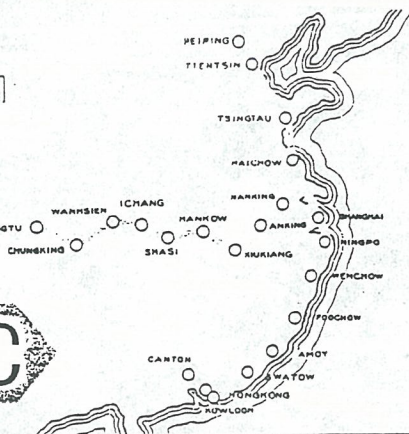
THE YANGTZE RIVER ROUTE



PASSENGER AND AIR MAIL SERVICE PASSENGER AND AIR MAIL SERVICE



ESTABLISHED LINES PROPOSED LINES



SHANGHAI-HANKOW AIR LINE

TIME TABLE		DAILY EXCEPT MONDAYS		FARE TABLE	
WEST BOUND READ DOWN		EAST BOUND READ UP	ONE WAY		ROUND TRIP
8:00 A.M. DEP.	SHANGHAI	ARR. 3:05 P.M.	\$ 48.	SHANGHAI TO NANKING	\$ 84.
10:15 A.M. ARR.	NANKING	DEP. 12:50 P.M.	\$ 112.	" " ANKING	\$ 196.
10:30 A.M. DEP.		ARR. 12:35 P.M.	\$ 152.	" " KIUKIANG	\$ 266.
12:15 P.M. ARR.		DEP. 10:50 A.M.	\$ 64.	" " HANKOW	\$ 350.
12:20 P.M. DEP.	ANKING	ARR. 10:45 A.M.	\$ 104.	" " ANKING	\$ 112.
1:20 P.M. ARR.		DEP. 9:45 A.M.	\$ 152.	" " KIUKIANG	\$ 182.
1:35 P.M. DEP.	KIUKIANG	ARR. 9:30 A.M.	\$ 88.	" " HANKOW	\$ 266.
3:05 P.M. ARR.	HANKOW	DEP. 8:00 A.M.	\$ 48.	" " KIUKIANG	\$ 154.
				" " HANKOW	\$ 84.

FLY THE 'GORGEOUS' GORGE TRIP

SEE THE GRANDeur OF THE YANGTZE RIVER GORGES FROM THE AIR—ONE OF THE WORLD'S WONDERS. FOR SCHEDULES AND RATES APPLY TO ANY CNAC AGENT OR TRAVEL AGENCY

ing out of Hong Kong. The airline, he submitted, could fly to neutral areas neither tied to Communists nor Nationalists. To help fund the plan Pan Am's president turned to the U.S. State Department for a commitment of assistance. The airline, he said, would need national help with gas and other services, but the expense would be more than justified. He emphasized the importance of maintaining long-range communications throughout China.¹⁰

Though reluctant to dictate to a private company, State Department officials, nevertheless, informed Pan Am that "The Communist factor overrides all business considerations." The agency advised Pan Am's president to talk to "certain CIA people."¹¹

On November 1, CAT and the CIA signed final papers, clinching their partnership.

For a month Chiang's exiled government had been attempting to persuade CNAC to transfer its base of operations to Taiwan. The company's Chinese employees, however, opposed relocating to the Nationalist refuge. Many felt a strong attachment to their homeland and worried about the safety of their relatives if the airline aligned itself with the failed Nationalist regime. Chiang responded to this resistance by ordering both airlines to remove their equipment to Taiwan by November 10.

The stage was set for insurrection. Already on August 25 a CATC Chinese copilot, flying one of the airline's C-47s, had defected to mainland China. And on October 27 a CATC pilot deserted to the Communists, absconding with a CATC DC-3.

Realizing trouble was brewing, CATC Operations Manager Moon Chin removed himself from the fray by taking a leave of absence. "I knew they could not decide without me," he said.¹²

Still, Allison and Pan Am officials believed they could head off a possible mutiny among their CNAC Chinese employees.

On November 9, 12 commercial aircraft, two belonging to

An aerial view of HAECO (Hong Kong Aircraft Engineering Company) at Kai Tak airfield shows 22 CNAC and CATC aircraft—four DC-4/C-54 *Skymasters* and 18 DC-3/C-47s—littering the compound awaiting the court's decision as to ownership.
(Photo Courtesy of Cliff Dunnaway, Hong Kong Historical Aircraft Association)

Black preservative coating protected CNAC and CATC's planes from Hong Kong's harsh salt water environment. The disputed aircraft laid like beached killer whales at Kai Tak airfield for nearly three years awaiting a court decision.
(Photo Courtesy of Jack Samson)

A CATC plane, recently awarded to the Chennault/Willauer group, is lifted by crane aboard the barge that will take it to the light escort carrier U.S.S. *Cape Esperance* for transport to the States.
(Photo Courtesy of Jack Samson)

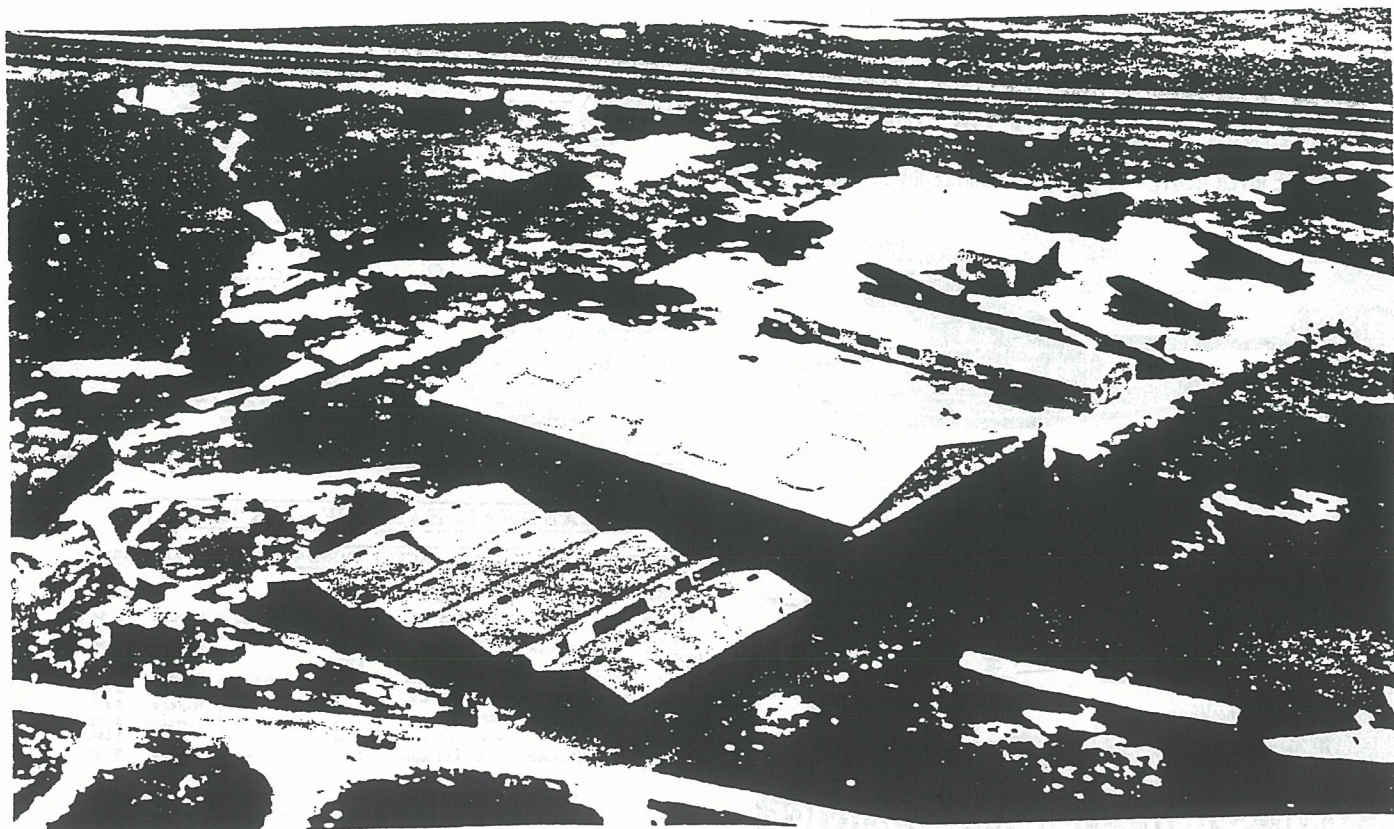
CATC and 10 to CNAC, defected to mainland China (11 arrived safely, one turned back to Hong Kong). Aboard the planes, all crewed by Chinese, were the managing directors of both airlines. CNAC and CATC announced immediate suspension of all flights indefinitely.

The day of the mass defection C.Y. Liu, CNAC's managing director, invited Allison and Bond to join him in Peking. He justified taking the planes by saying, "They belong to the people of China." Both men were willing to make the trip, but State Department officials discouraged them, stating that the action would imply cooperation with the Communists.¹³

When the Nationalist minister of communications telegraphed Bond in Hong Kong asking him to assume the Chinese interest and continue operations in the name of CNAC, Bond replied that it was impossible.¹⁴

CATC Chinese employees voted to return with their airline to the mainland, but just as Chin predicted, lacking leadership, they failed to implement the decision.

The day after the defection, while CNAC's American management was still reeling from the preemptive move, Whiting Willauer, Chennault's partner in CAT, flew to Taiwan. Willauer



Should the U.S. government allow American citizens to fly for a Chinese Communist airline? The question hung in the air until November 12. Then Secretary of State Dean Acheson issued a carefully worded response to pilots' inquiries: It was up to individuals to decide whether to fly for a Communist airline or not. However, they should consider that working for the Communists might prejudice their chances for future employment elsewhere.¹⁸ Also the pilots stood the chance of losing their passports, at least until they reentered the U.S.

With similar circumlocution, the U.S. Air Force informed the 30 out of 37 CNAC pilots who retained U.S. reserve status that it would not be in the interests of the Air Force for them to fly for a Communist airline.

The idea that American airline executives and pilots even considered working for Red China aroused anti-Communist fervor and patriotic indignation in the U.S. *Time* magazine stirred public resentment by erroneously reporting that eight American pilots had already gone to work for the Communists. R.H. Hillenkoetter, director of the CIA, mistakenly informed his colleagues that CNAC's American partners "... were fully aware of the deal [defection] and lent their support."¹⁹

While CNAC executives deliberated, Willauer maneuvered his plan into action. On November 13 the Nationalists suspended the registration certificates of the 71 CNAC and CATC aircraft—DC-3s, DC-4/C-54 *Skymasters*, Convairs, C-46s and C-47s—that littered the field of Kai Tak Airport. Three days later, the airlines' "disloyal" employees were dismissed. CAT hired 20 Sikh security guards to protect the planes; Willauer personally led a gang to let air out of the aircraft's tires.

On November 17, the Hong Kong governor ordered the grounding of all CNAC and CATC planes bound for mainland China until the British clarified their air agreement with the new regime. To avoid repercussions among Red supporters, Grantham ordered CAT to remove its security guards. CNAC and CATC employees, sympathetic to Peking, seized the opportunity to take physical possession of the planes. Although Willauer's lawyers obtained an injunction to restrain the workers, civil authorities fearing a riot failed to enforce the order.

At this point, Chennault and Willauer realized that the Hong

bore with him the rudiments of a daring scheme, a plan to transfer both airlines' assets to CAT for safekeeping. If CAT acted as agent for the Nationalist government, he reasoned, then he and Chennault could head off Chinese Communist claims to ownership and eventually transfer the planes to Taiwan.

Both Willauer and Chennault felt the situation demanded drastic measures. They cited intelligence reports that the Chinese Communists were training paratroopers for an assault on Taiwan. If Communist China used CNAC and CATC planes to transport paratroopers to the island retreat, Taiwan would be a pushover, or so they thought. Chennault felt certain that if the 71-plane fleet remaining on the airfield fell into Communist hands, Communism in the Far East would expand; one by one Asian countries would topple, like dominoes.

In a meeting with Chiang the next morning, Willauer presented his case. The Nationalist leader, his options diminished by Pan Am's refusal to assume total control of CNAC, agreed.¹⁵

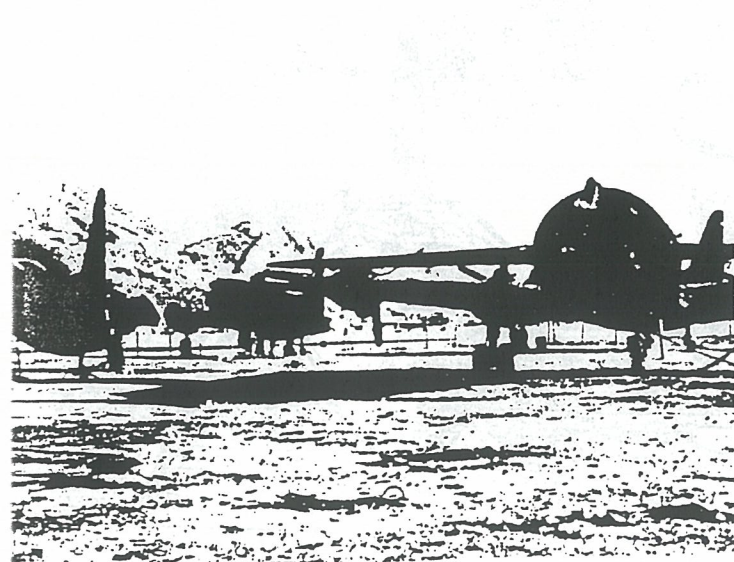
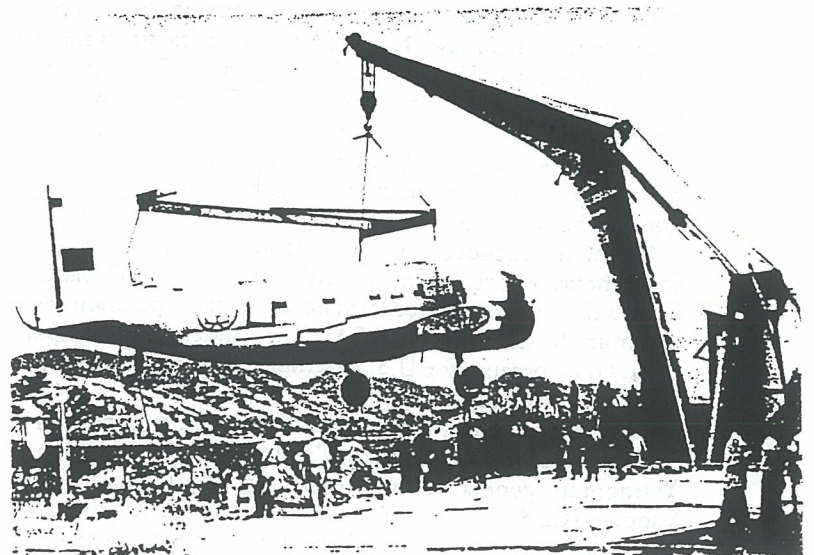
Meanwhile, Pan Am and CNAC employees and officials gathered at the Peninsula Hotel to discuss moving their airline to mainland China. At the meeting two distinct and separate views emerged. As then-operations manager James H. McDivitt remembers, "One group was adamant in their statements that they would never go to work for a Communist government under any consideration."

The other group, which included Bond, Allison and McDivitt, felt as McDivitt says, "... that a wonderful opportunity existed for Americans to get legally behind the Iron Curtain and begin to hopefully prove to the world that working together was possible."¹⁶

In a letter to his wife, Allison said, "Two factions in CNAC are tearing it apart."¹⁷

McDivitt remembers that Allison called a press conference that became "extremely unruly." Journalists hammered Allison with questions about whether he would really work for a Communist government. "Our loyalty lies with the company, regardless of ownership," Allison said.

"I honestly believe we all thought the airline belonged to the Chinese people and wanted it to stay complete and remain in existence," says McDivitt. "Also we believed that the Chinese people would never completely accept Communism because of their inherent religious and commercial backgrounds."



Kong government would never accept CAT as agent for the assets. Clearly, colony officials intended to hand the planes over to the new Chinese government as soon as Britain extended formal recognition to the People's Republic. From here on out the success of the plan depended on the backing of the United States government. To this end, the partners enlisted the aid of Tom Corcoran, their back-room deal broker. The man who had been a political insider in Washington since the days of the New Deal now prowled the corridors of the nation's capital soliciting support for a revised plan to salvage Hong Kong's refugee airlines.

Eventually the ruddy Irishman convinced the State Department to support the scheme. Diplomatic officials in Washington stipulated, however, they could not underwrite the project. They could come aboard openly but only if the Chennault/Willauer group owned the planes outright, as private American citizens. As a result, the investors supplanted the original agreement with a purchase contract containing a conversion clause, which allowed the Chinese Nationalist government to retake possession of the planes if they first concluded a management agreement with Chennault and Willauer, acceptable to both partners. Should the Nationalists decide to exercise the conversion, and both sides realized they never would—supposedly the provision was a face-saving mechanism—the contract provided for the partners to recover the airlines' assets and, after expenses, divide the proceeds equally among themselves.²⁰

Later Willauer noted that if the courts had tumbled to the conversion option in the contract, which attested to the partners' position with the Nationalists as agent/principal rather than debtor/creditor, they could have invalidated the sale.²¹

What motivated Chennault to rush into the middle of this political dogfight? Was it the glimmer of substantial profits or noble patriotism that fueled his decision?

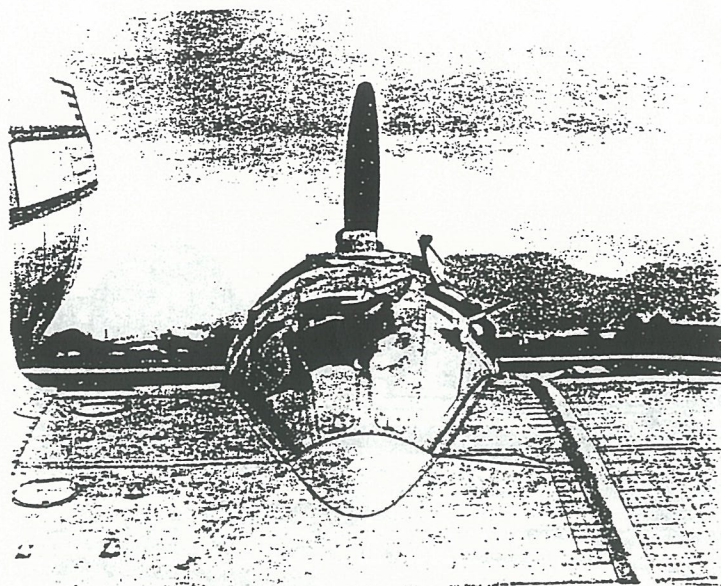
Chennault insisted he opposed the plan at first. "I knew we were going to get into lots of trouble, but I finally agreed when I realized it was in the best interests of both China and the United States that we do it to keep the Communists from getting those airplanes."²²

To implement the recovery effort, Corcoran established an interconnecting network of new companies designed to recover the aircraft and confound the public. At the top of the organizational hierarchy stood C.A.T., S.A., a company incorporated under Panamanian law that offered lenient tax structure and permitted secrecy. Under C.A.T., S.A., came Civil Air Transport, Inc. (CATI), incorporated under Delaware law. CATI served as C.A.T., S.A.'s nominee in the partners' upcoming touchy political and legal battle. Intrinsic to the arrangement was the appearance of American ownership, therefore, the relationship between the two companies remained secret.

Corcoran contended that CATI was organized at the behest of the American government. According to him, CATI partners never saw the necessity for forming a private corporation separate from the CIA-sponsored CAT. They undertook the responsibility only because the U.S. government insisted it was necessary in the national interest.²³

Besides Chennault, Willauer and Corcoran, stockholders in the enterprise included Corcoran's brother David; William S. Youngman, general counsel to Chiang with China Defense Supplies (CDS)—an organization that disbursed American aid to China during the war—and James J. Brennan, also with CDS.

Early in December, negotiations between CATI and the



Nationalist government began. Although Willauer quailed at the thought, he nevertheless signed a promissory note on behalf of himself and Chennault for \$4.75 million in exchange for the Nationalist government's interest in CNAC and CATC. On December 12 the Nationalists approved the sale.

About this time CAT, now in dire financial straits, faced liquidation. To stave off bankruptcy Corcoran, in league with William J. "Wild Bill" Donovan, former chief of the Office of Strategic Services (OSS), proposed selling the airline outright to the OPC/CIA. They envisioned merging CNAC, CATC and CAT's aircraft into a "ghost fleet," ready and able to provide covert air assistance for anti-Communist activities. This giant air complex would operate from Southeast Asia to North Asia, as required.²⁴

Still one obstacle stood between CATI and title to the two Nationalist airlines: CNAC's American partner, Pan Am. In their haste to take over the planes, CATI investors failed to inform Pan Am of their intentions. Trippe first learned that the airline had been sold to Chennault when he read about it in his local newspaper. Trippe was puzzled how the airline could be sold out from under him when a clause in CNAC's contract stipulated that one partner could not sell without the other's approval. Also the contract stated that the airline could not be sold to a private individual.

Bond told Livingston Merchant and W. Walton Butterworth of the State Department's Far Eastern division that Pan Am had no desire to cooperate with Chennault and did not think him capable of restoring CNAC to its operational status even if he controlled the machines.²⁵

Corcoran retaliated by warning Trippe that if Pan Am refused to sell its interest in CNAC, he would tell newspapers that the president of Pan American Airways was a friend of Communists.²⁶ To sweeten the deal for Trippe, Merchant insisted that Chennault and his partners pay Pan Am cash for its share in CNAC. Merchant further stipulated that if CATI did not satisfy Pan Am fully, the U.S. government would not protect the planes if and when CATI acquired them.²⁷ Eventually the negotiating team, headed by T.V. Soong representing the Nationalist government, agreed on \$1.25 million, an amount covered by CNAC's San Francisco savings accounts.

When a Hong Kong court awarded CNAC and CATC's planes to the Chinese Communists, Nationalist agents expressed their government's displeasure by planting time bombs in the aircraft, damaging seven CNAC transports.
(Photo Courtesy of Jack Folz)

CNAC employees sympathetic to the Chinese Communists prepare one of the company's DC-4/C-54 Skymasters for what Mao's government assumes will be short-term storage. Claiming ownership of the disputed planes by right of sovereign immunity, mainland China stood to acquire the entire 71-plane fleet. Employees of the former CNAC painted the Communist flag on the aircraft tails.
(Photo Courtesy of Jack Folz)

Later, mired in financial difficulties, Chennault blamed his economic troubles on this cash transaction. Rather than pay cash, Chennault and his partners planned to make escrow payments to Pan Am to be released only when CATI recovered the assets.²⁸

Although Trippe resented Chennault's tactics, he relinquished Pan Am's control in CNAC when he "realized the government [CIA] supported the sale for military reasons," says Kathleen Claire, Trippe's personal secretary for over 25 years. "Trippe would have taken a loss in the name of patriotism."²⁹

The Central Bank of China, controlled by the Nationalist government, advanced \$1.25 million to CATI for Pan Am's share in CNAC. Later, when CATI gained access to CNAC's American savings accounts, the partners failed to repay the Nationalists as promised but used the money to satisfy other debts.

Within 24 hours of Pan Am's capitulation and the signing of the final papers, the U.S. Civil Aeronautics Administration (CAA) dispensed with airworthiness requirements and, verifying the purchase in the national interest, conferred American registration on the aircraft. Chennault and Willauer declared

they bought the airlines' assets as private individuals, not as agents for CAT. Bond felt that Chennault and Willauer in their grab for the airlines flirted with the unethical and illegal.³⁰

At first colony officials denied a request from the CAA to inspect the CNAC and CATC planes. Later they relented but insisted the CAA not "interfere" with the craft.

Acceding to the U.S. Consul General Karl L. Rankin's demands that the planes, as American property be protected, the Royal Artillery mounted anti-aircraft guns at Kai Tak Airport. They explained to the public that the permanently manned artillery was part of "extensive air exercises." Local authorities, fearing Communist reprisals for supporting CATI, refused to allow the organization's employees to paint American flags on the disputed aircraft.

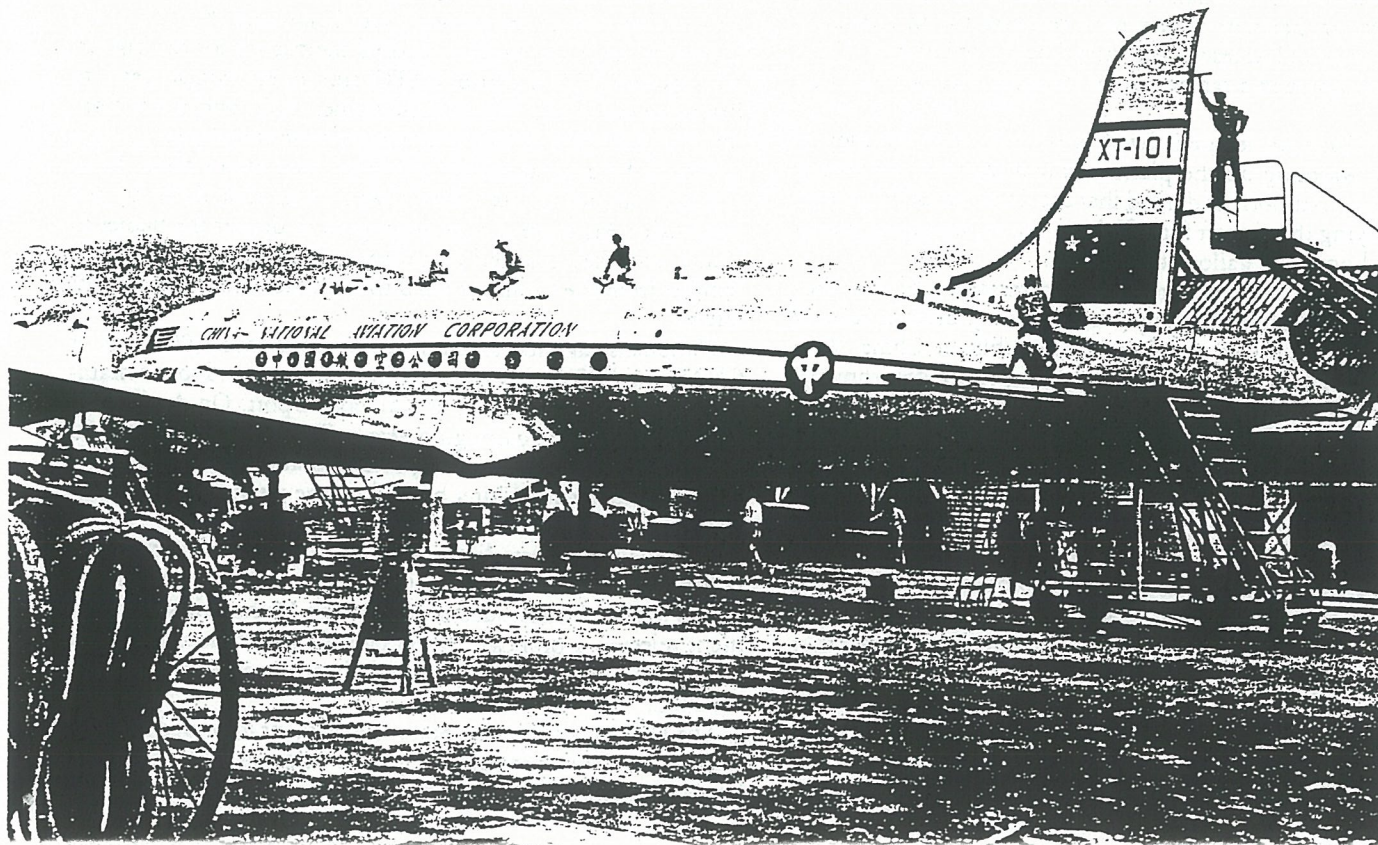
Having forged the financial agreement, Chennault and Willauer had their paper ducks lined up in a row. Now their troubles began in earnest. The fate of China's two airlines moved into the arena of Hong Kong's courts.

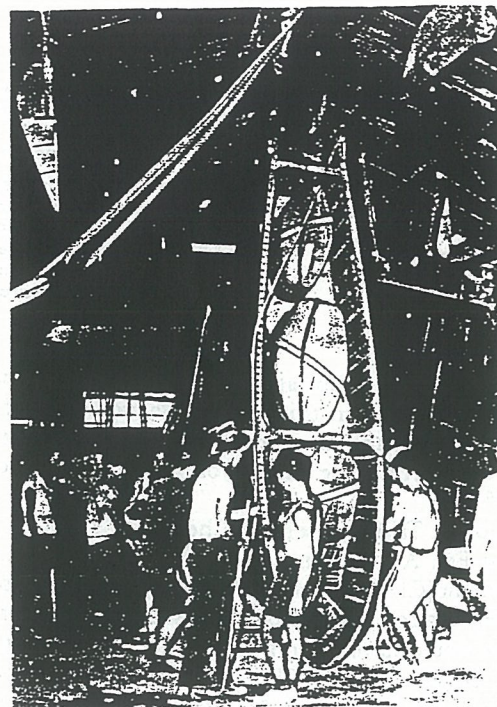
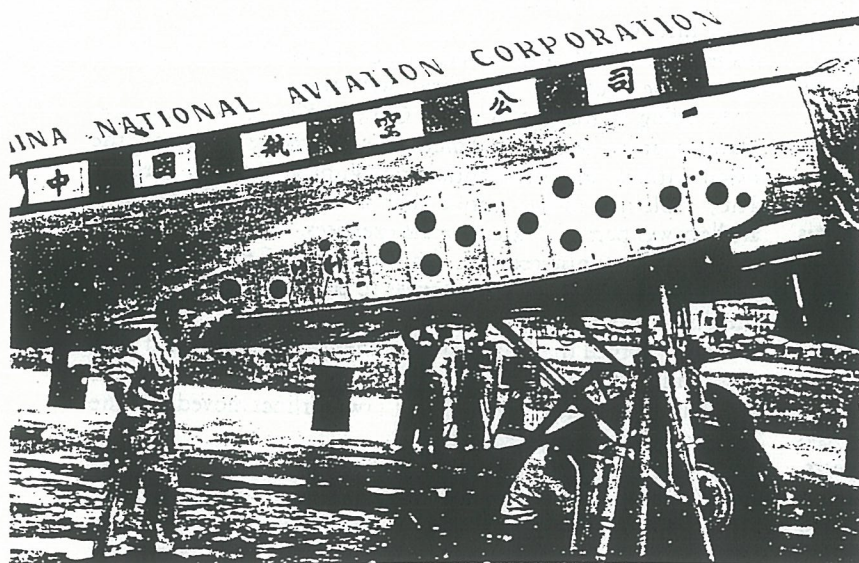
In early January Chennault engaged Bill Donovan to represent CATI in the airline legal battle. The former OSS head immediately assumed the offensive. He informed Hong Kong's governor that he would make it "hot for him" if he did not intervene on CATI's behalf.

"If it were not for the U.S.," he said to Grantham, "Britain would have lost World War II."³¹

Donovan allegedly told Hong Kong officials that Marshall funds would be cut off if the British government did not yield to American concerns.

Several months earlier, Peking leaders had announced that they considered British investment in China and airplanes in Hong Kong an exchange of deposit. At the beginning of Janu-





ary they reinforced the proclamation with a threat to seize one British-owned warehouse in Shanghai for every aircraft Hong Kong authorities denied them.

The U.S. State Department, hoping to head off long and expensive court proceedings and honoring their pledge to assist the CATI group, urged the British Foreign Office to terminate the airline court case. But reluctant to interfere in colony affairs, the British government demurred. Nevertheless, the Foreign Office assured U.S. officials that if the case went against CATI, the American partners would have recourse for an appeal to Britain's court of last resort, the Privy Council of London.³² This guarantee provided a safety net for the legal high wire act that followed.

When Donovan learned that CNAC and CATC employees had been warming up the planes, he reprimanded the port of Hong Kong. Authorities denied that the Communist employees were readying the aircraft for a flight to China, saying the planes contained only 100 gallons of gas each.

In truth, the Communists had good reason to believe they would soon be delivering the planes to Peking: Early in January Britain had recognized the People's Republic of China. As a result, PRC officials felt assured the Hong Kong government, eager to establish itself as a trading partner with the new regime, would grant them ownership rights. Being a public commodity, they reasoned, the planes belonged to the people of China, despite the change in government.

Sure enough on February 23 a Hong Kong court awarded the 71 planes to the Red Chinese government. Justice Sir Leslie Gibson ruled that in the case of public property, the law held that unless there was a right to sell that public property it reverted to the new government by title paramount. The fact that the planes were used for public purposes was enough to establish sovereign immunity for China.

At the close of the case Gibson summarized his remarks by saying that because the planes were bought in China, CATI should take the case to China's courts. "It's as if Chennault and

Willauer bought KLM and some of the planes were in Hong Kong. Then they would bring suit in the Netherlands."³³

The judgment reverberated across the ocean, sending shock waves into the U.S. Congress. The next day conservative California Republican Sen. William Knowland delivered a fiery speech to his colleagues. He suggested that if the planes go to mainland China, Congress should levy economic reprisals against Britain. The release of the aircraft to Peking would be "one of the greatest blows to the non-Communist world delivered in that part of the world," said Knowland.³⁴

Meanwhile, Communists readied themselves for the big aircraft exodus. CNAC and CATC employees sympathetic to Peking painted Red flags on the planes' tails, and pilots from the mainland flew to the colony to retrieve the planes.

It soon became apparent, however, that Mao's pilots faced jeopardy on two fronts. They risked being shot down by the Nationalist Air Force if they attempted to deliver the planes to China, and they chanced punishment for themselves and their families from the Communists if they did not deliver the aircraft safely.

Nationalist agents, reacting to the news that 1,000 tons of CNAC and CATC airplane parts had been shipped to the mainland, planted time bombs at Kai Tak Airport. On April 2 the bombs detonated, damaging seven CNAC transports. Chou En-lai responded by informing Britain that the country's diplomatic relations with China hinged on the resolution of the aircraft controversy.

As CATI's prospects dimmed, the U.S. government increased political pressure on Britain to intervene. At first the intensified efforts met with little success. On March 17 the British government rejected a proposal in the House of Commons to send a commission to Hong Kong to study handing over the planes to the PRC.

The U.S. persisted. The State Department informed London that on no account should the planes be given to the Chinese. On May 10 the British government issued an Order-in-Council

Awaiting the Hong Kong court's decision, former CNAC mechanics removed the planes' wings, preparatory to placing them in storage.

(Photo Courtesy of Jack Folz)

After removing the wings, CNAC employees loyal to Chinese Communism stored them in the company's maintenance facilities at Kai Tak Airport.

(Photo Courtesy of Jack Folz)

To protect CNAC and CATC's aircraft from Hong Kong's harsh salt air climate, employees paid by the Chinese Communist government wrapped the engine casings.

(Photo Courtesy of Jack Folz)

concerning the disputed aircraft. The order, in effect an injunction, formalized Whitehall's promise that no planes would be allowed to leave the colony until all legal action had been completed. It cleared the way for CATI to carry its appeal to the Privy Council of London.

"It was a sorry business," said Grantham, referring to the American government's influence on the British courts.³⁵

Although Grantham was far from happy about Britain's interference in Hong Kong affairs, he had no choice but to comply. Under duress, Grantham gave the American consul oral assurances the airplanes would not leave Hong Kong under any circumstances. The governor said that if the planes were awarded to the Communists, the Hong Kong government would requisition them. If CATI prevailed, the Hong Kong government pledged to assist evacuating the planes, although not to Taiwan.

As U.S. government participation in the airline controversy became more apparent, the State Department became concerned that, because the principals in CATI were prominently associated with Chiang, the PRC might think Chennault was an agent of the U.S. government and embodied U.S. China policy. One State Department official said that U.S. strategic interests would be met if the planes were allowed to rot in Hong Kong.³⁶

The case dragged on through 1950, past June 25 when North Korea attacked South Korea and after June 27 when the U.S. Seventh Fleet moved into the Straits of Taiwan. The outcome was still uncertain on June 28 when the CIA approved the purchase of CAT, naming Willauer president and Chennault a member of the board of directors.

In the winter of 1951, after a series of adverse rulings, Chennault fired off letters to congressmen and other influential individuals notifying them that the Hong Kong airline controversy concerned interests vital to America. With the Korean War in full swing, it was not difficult to persuade American politicians the urgency of his crusade. Besides, as he pointed out, both airlines owed their fleet of planes to the wartime American Lend-Lease program and to American-backed loans.

Rumors were rife that a high-level secret decision had been reached in London by which the British government would ask the Hong Kong Supreme Court to render a split decision—CATC planes to CATI and CNAC planes to the Chinese Communists. Nothing came of this attempt at compromise.

Even with British Conservative cabinet member Walter Monckton pleading the case, CATI failed in May 1951 to win its appeal to the Supreme Court of Hong Kong. Monckton contended that because Britain had not recognized the PRC as the *de jure* government of China at the time of the sale, CATC assets rightfully belonged to the Chinese Nationalist government.

Hong Kong's Chief Justice Sir Gerald Howe disagreed. He ruled that the purchase of CATC by CATI was not made in good faith. It was used, he said, as a device to keep the aircraft from the Communists. The court decided that the PRC could remove

the planes if no further suit was brought within 21 days after the court settled the ownership question.

In December the CNAC appeal was dismissed on the same grounds—that such a device cannot be used to deprive the Chinese people of highly important airlines. The court granted two months for an appeal.

In August the first hint of financial strain tainted the American camp. Willauer threatened to turn the planes "over to the Commies" because some Nationalist bankers "are so unpatriotic" as to demand \$400,000 at once. (Willauer was referring to money CATI had borrowed to pay CNAC employees back wages.) Chiang intervened on CATI's behalf.³⁷

In April 1952, weary of the legal logjam, the People's Republic sought direct recourse for their grievance. Making good on their threat to seize Western property if they did not get the planes, they requisitioned Shell Company, British-American Tobacco and other British assets in China.

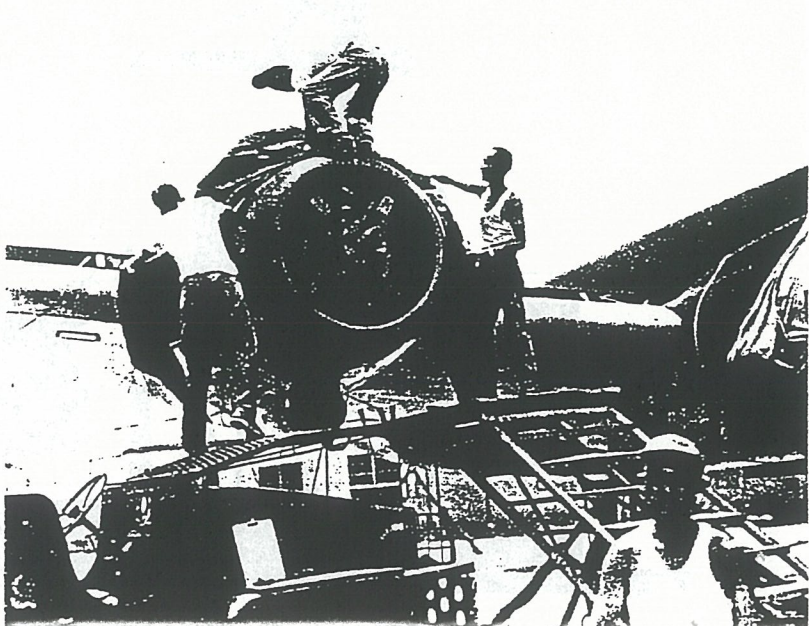
CATI partners played their last desperate hand. Corcoran and Donovan flew to London in late spring 1952 to persuade British authorities to hear their case during the current Privy Council session.

The American lawyers cited the following reasons for urgency: a. The constant risk of political change in the Far East. b. Equipment deterioration. c. The end of the Korean War, which would depress the market for used aircraft.

The British stipulated that if the decision went in CATI's favor, the American investors must consent to certain conditions: a. Aircraft would not go to Taiwan under any condition. b. The aircraft would be removed from Hong Kong before October 1, 1952, Peking's National Day.

Partner Jim Brennan assured colony officials the planes would go to the Philippines, Japan or the United States. If the Communists won and sought clearance for Russia, however, colony officials were not certain what they would do.

On July 28, 1952, two and one-half years after CATI initiated court proceedings, the British Privy Council of London ruled that the 40 CATC planes impounded in Hong Kong belonged to Chennault and his partners. (The CATC opinion lay the basis



for the corresponding decision on CNAC's case heard in Hong Kong in October.) The Privy Council allowed the appeal based on the same argument Monckton used in Hong Kong. Since the Chinese Nationalist government was the *de jure* government of China at the time of the sale, the property belonged to the Nationalists. The aircraft were not located in territory controlled by the Communists, therefore, they could legally be sold to a third party.

The day after the ruling, truckloads of soldiers swooped onto Hong Kong's airport, took custody of the planes and rounded up 160 Chinese watchmen. Not expecting the court's decision for another 48 hours, the Communist guards were caught unprepared. What might have been a battleground became instead a fairly orderly withdrawal of men and defenses.

CATI partners now faced their final hurdle: spiriting the planes out of Hong Kong in the short time allotted by the British. Again they turned to Uncle Sam. This time they pleaded with Senators Lyndon Johnson and John Sparkman, among others, to help them secure a U.S. aircraft carrier to transport the planes to America. According to Corcoran, "The technicality that they [planes] are unavoidably private American property on a Navy ship can be faced after they are gotten off."³⁸

The partners, overjoyed at their victory, were no doubt equally delighted when they realized how well the Communist-employed CNAC and CATC mechanics had preserved their planes. To protect the aircraft from Hong Kong's harsh saltwater environment, the maintenance workers had pickled the engines, painted the planes black to weatherproof them, and re-

moved their wings and other critical components and placed them in storage.

The aircraft, however, were in no shape to be reassembled and flown out of Hong Kong by the October 1 deadline. To honor their commitment to the British, CATI partners were obliged to transport their planes dismantled and crated.

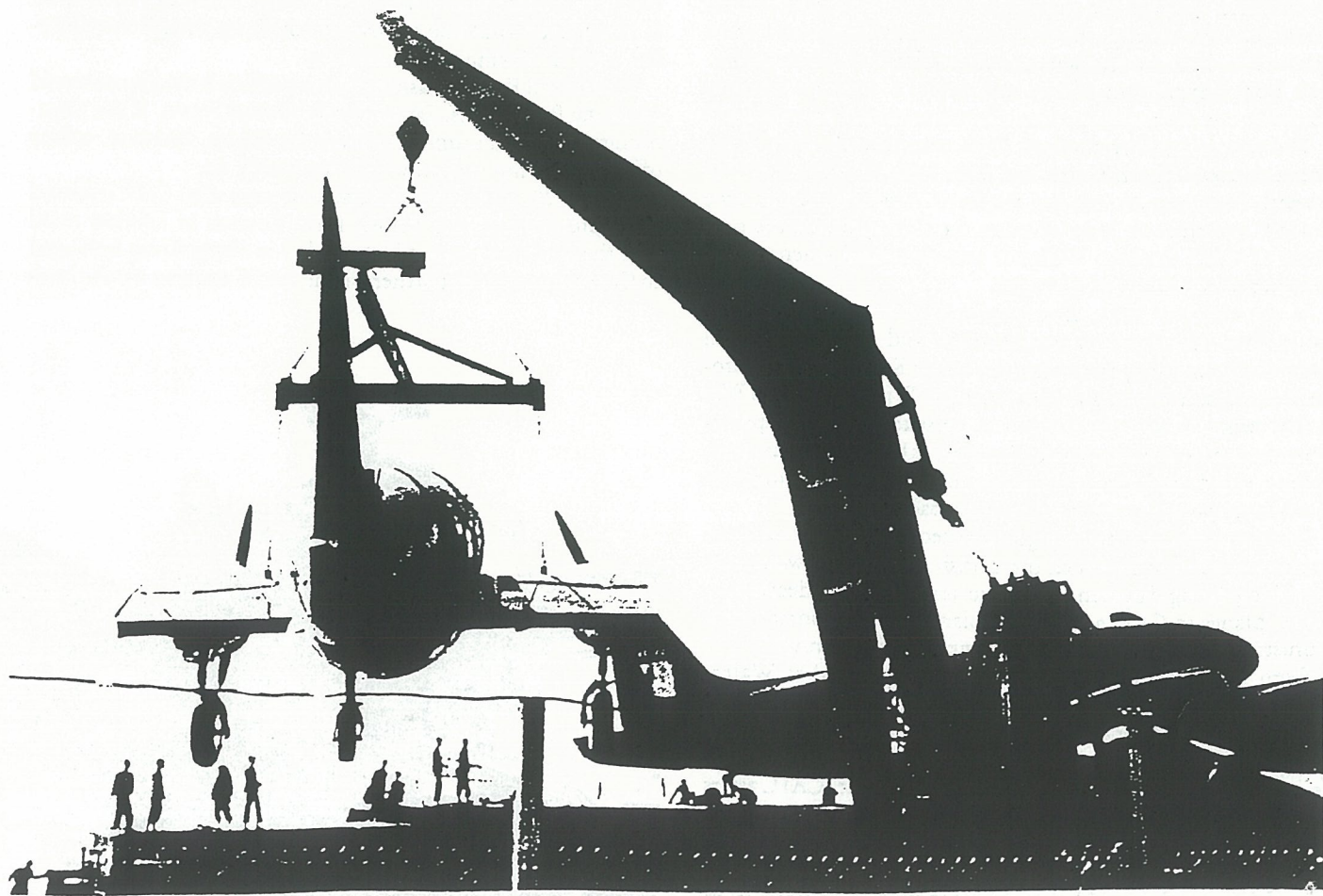
Ultimately, President Harry S. Truman personally granted CATI the right to use the carrier.³⁹ On September 28 the U.S.S. *Cape Esperance* arrived in Hong Kong to transport the aircraft to a neutral destination. Five Convairs and 18 C-46s were loaded on board the carrier.

Reacting to the final court decision, Peking blamed the "... big time swindler Chennault."⁴⁰ As retribution for awarding the planes to CATI, the Communists requisitioned the Shanghai Dockyard Ltd. and Mollers Yard.

Chennault and Willauer's sighs of relief at the close of the case turned to groans of dismay when, in June 1953, Chiang demanded payment of the \$4.5 million promissory note Willauer had signed earlier. The leader of the Kuomintang also insisted upon reimbursement of his \$1.25 million loan to CATI.

Willauer countered that he and his partners had fulfilled their patriotic duty for both the U.S. and Taiwan by keeping the planes from the Communists. CATI, in his opinion, was liable

Two of the 71-plane fleet, their bodies painted black for preservation, are hustled out of Hong Kong by ship to either the United States or the Philippines. The Privy Council of London awarded the CNAC and CATC aircraft and other assets to the Chennault/Willauer team of investors after a 2½-year battle in the courts. (Photo Courtesy of Jack Samson)



for no more than the repayment of the loan. As to the note, Chiang should destroy it. This infuriated the Nationalist leader.⁴¹

Corcoran surmised that ambitious local politicians in the Chinese government who wanted an airline caused the problem between CATI and the Nationalists. Willauer fretted that the fallout from the affair delayed his appointment as ambassador to Honduras. He informed the State Department that because Chennault's wife, Anna, was deeply involved in local Taiwan intrigue and politics, Chennault was handicapped in negotiations with the Chinese.⁴²

The U.S. State Department considered the CATI debt serious enough to warrant U.S. intervention. The Nationalist government accused the American partners of perpetrating a fraud, a charge, according to State Department officials, difficult to disprove. The State Department was concerned that the case might damage Nationalist Chinese/American relations.⁴³

The Nationalist government insisted the U.S. intercede with CATI on their behalf; otherwise, they would not renew CAT's operating franchise, which expired December 31. Nationalist leaders failed to understand that CAT, now fully owned by the CIA but covert, and CATI, a partnership involving Chennault and Willauer, represented separate entities. The CATI investors had been careful to maintain secrecy about the connection, fearing it might become an issue and jeopardize the law case.

The financial troubles between the Chennault/Willauer group and the Nationalist government continued throughout 1954. CATI's failure to present detailed financial accounts and also the company's generous shareholder allotments strengthened Nationalist Chinese suspicions of poor faith dealing. The Chinese government questioned why they realized less than \$3 million from assets valued at \$20 million to \$30 million little

more than four years before.

In September the Chinese government and CATI finally agreed. The terms: \$1.25 million in cash and monthly installments; and a new corporation to be formed in which the Nationalist government would share 50/50 with CATI revenues derived from the sale of the remaining planes and other assets.⁴⁴

Having won the legal battle and survived the financial squabble, Chennault still faced uncertainties. He and his partners feared that if Red China were admitted to the U.N., the Communists would appeal their case to the world court and one day hit them with a lawsuit for stealing their country's assets.⁴⁵ As a member of the Committee for One Million Against the Admission of Communist China to the United Nations, Chennault lent his name to lobbying efforts that prevented mainland China from gaining a seat in the international organization.

As to the scheme's profit picture, details remain murky. Although CATI partners received adequate personal remuneration for their efforts, "They didn't make anywhere near what they hoped," says aviation historian William Leary. "Probably most of the money ended up going to the lawyers."⁴⁶

Once under total CIA ownership, CAT metamorphosed into Air America, the first of United States' vast secret air force that encircled the globe.

In their efforts to obtain the largest fleet of planes in the Far East, did Chennault, Willauer, Corcoran and Donovan influence our China policy?

Although the point can be argued, this writer believes that the political ramifications of Chennault's airline takeover penetrated deep into America's postwar China foreign policy. Its spinoff affected the nation's relations with China and Southeast Asia for over 25 years. □

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Sept. 8, 1999

Dear Reg,
I just a note to tell
you Harry Schaus died
Aug. 16, 1999 in Spartanburg,
S.C. He was buried in

Leggosta. H. when we
lived for many years
and where our daughter
and family still live.

He always enjoyed
the recesses he had
acted and had many
good memories
M. Schaus

Reg Farrar
319 Euclid Avenue
Loch Arbour, N.J. 07711



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