

MEMORANDUM

NATIONAL SECURITY COUNCIL

April 15, 1981



MEMORANDUM FOR: RICHARD V. ALLEN -

FROM: JIM LILLEY *[Signature]*

SUBJECT: Taiwan Objections to Appointment of
Tom Shoesmith as Head of our Institute
in Taiwan

This memorandum is for your information in considering the appointment of a new Chief of our Institute in Taiwan. In it I have presented to you Taiwan's objection to the appointment of the State Department candidate, Tom Shoesmith, and I have also given you several other names of possibilities.

On 15 April I received a phone call from Carroll Leggett of Mr. Hanaford's organization. Leggett had seen Konsin Sha the previous day and Konsin had told Leggett the following:

Information had come to his attention that the U.S. Government was considering appointing veteran Foreign Service Officer Tom Shoesmith to replace Charles Cross as Head of the American Institute in Taiwan (this is accurate as Shoesmith was proposed by Holdridge on Monday of this week).

Sha said the Chinese were well-aware of Mr. Shoesmith and they would consider his assignment to Taipei as "insulting." He said that people in Taiwan were deeply disturbed by this appointment but refused to go into the specific reasons. He said he was reluctant to approach the State Department directly on this and was giving information to Mr. Leggett so that Mr. Leggett could get it to the right people. Leggett phoned me.

My view is the Chinese probably don't have anything against Shoesmith personally, but they believe (a) he is too low-level (he has never had an ambassadorial appointment); (b) he has no connection with the White House; and (c) he represents that highly suspect body in their eyes (the Career Foreign Service).

In view of this, it is my personal view it would be a mistake to assign Shoesmith there and I recommend you think about these people:

- William Morrell, President of the US-ROC Economic Council. Bill has the absolute trust of the people of Taiwan and he is a highly competent, disciplined

man. He served in Taiwan as economic counsellor for five years and he has also served in Moscow. He was a long-term economic specialist for CIA. He might be reluctant to take the job because of financial loss, but an approach at the right level (V.P.) would probably work. His ideology is impeccable and his qualifications of the highest.

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