

**July 21, 1958**

**Telegram No. 42 from the Secretary of State to the  
American Embassy Taipei**

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**Summary:**

This document confirms U.S. Department of State and ICA support for Taiwan's reorganization plan, specifically the abolition of the Economic Stabilization Board (ESB) and the elevation of the Council on U.S. Aid (CUSA). This document summary was generated by an artificial intelligence language model and was reviewed by a Wilson Center staff member.

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**OUTGOING TELEGRAM**

INDICATE:  COLLECT  
 CHARGE TO

**Department of State**

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ENDORSE EXISTING MARKINGS

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SENT TO: Amembassy TAIPEI *42*

JOINT STATE/ICA MESSAGE

Your 46. *793.1/7-15* XR

Department and ICA concur in your views that abolition of ESB, and upgrading of CUSA moves in right direction, particularly because aid discussions will be confined to one channel and because there will be less basis for accusations of US derogation GRC sovereignty. Revised subcommittee structure in general also appears reasonable but suggest Embassy/USOM follow carefully prevent loss value in ESB arrangement. Continuation of Industrial Development Commission as focal point for Taiwan industrial development efforts appears to agree Sino-American objectives.

Origin

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