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Microfilm Publication M976

RECORDS OF THE DEPARTMENT OF STATE
RELATING TO POLITICAL RELATIONS
BETWEEN CHINA AND JAPAN, 1930-1944

Roll 48

1930-39

793.94/11851-12140 Dec. 1937-Jan. 1938



THE NATIONAL ARCHIVES
NATIONAL ARCHIVES AND RECORDS SERVICE
GENERAL SERVICES ADMINISTRATION

WASHINGTON: 1975

#### INTRODUCTION

On the 96 rolls of this microfilm publication are reproduced the records from the decimal file of the Department of State, 1930-44, that relate to political relations between China and Japan. The records are mostly instructions to and despatches from diplomatic and consular officials; the despatches are often accompanied by enclosures. Also included in these records are notes between the Department of State and foreign diplomatic representatives in the United States, memorandums prepared by officials of the Department, and correspondence with officials of other Government departments and with private firms and persons. The State Department divided the decimal file into chronological segments to retire inactive records. This division has been maintained in this microfilm publication. The records for the period 1930-39 are filmed on rolls 1-88 and those for 1940-44 on rolls 89-96.

The Lists of Documents or "purport lists" filmed on rolls 345 and 346 (1930-39), roll 532 (1940-June 1944), and roll 628 (July-Dec. 1944) of M973 give brief abstracts of the documents reproduced in this microfilm publication and serve as a finding aid to the documents themselves. The arrangement of the entries on these lists generally corresponds to the arrangement of the documents in the file.

From 1910 to 1963 the State Department used a decimal system for its central files, assembling and arranging individual documents according to subject and assigning decimal file numbers. The decimal file consists of nine primary classes numbered 0 through 8, each covering a broad subject area. The records reproduced in this microfilm publication are in Class 7, political relations of states. Each country had been assigned a two-digit number. The country numbers assigned to China and to Japan, for example, are 93 and 94, respectively. Thus, documents bearing the file number 793.94 concern political relations between China and Japan.

When one or more digits follow the second country number, they represent a specific subject. This number, in turn, may be followed by a slant mark (/). In such cases the numbers after the slant mark were assigned to individual documents as they were accumulated on a specific subject. For example, a decimal file number taken from a document reproduced in this microfilm publication is 793.943/5. The number 3 following the country number for Japan (94) signifies that the subject is extraterritoriality, and the number after the slant mark indicates the number of documents on this subject.

The documents under one subject classification are generally in chronological order, coinciding with the assigned document number, which follows the slant mark. There are instances, however, when a document file number was not assigned until a date considerably later than the one on which the document was received.

In July 1944 the number after the slant mark began to reflect the date of the document instead of the number of documents; for example, a document dated November 20, 1944, would be numbered /11-2044. Documents dated as early as 1939 but not indexed until after July 1, 1944, also have been assigned date numbers.

Cross-reference sheets referring to related records under other subject classifications in the decimal file have been reproduced as they occur, and appropriate cross-reference notations appear in the Lists of Documents.

The file contains documents that were security classified by the State Department, as well as those received from and classified by foreign governments and other Federal agencies. Documents that have not been declassified are not available as part of this microfilm publication. The National Archives and Records Service (NARS) does not have authority to make reproductions of such documents available to searchers. Documents that remain classified have been removed from the file and replaced by a withdrawal notice that identifies the document and indicates the reason for its removal.

The records reproduced in this microfilm publication are part-of General Records of the Department of State, Record Group 59, and are a continuation of the records concerning political relations between China and other states, 1910-29, which have been microfilmed as NARS M341.

In the same record group are several diplomatic correspondence series containing documents on relations between China and the United States. They are copies of instructions from the State Department to U.S. Ministers to China, 1843-1906 (rolls 38-43 of M77); notes to the Chinese Legation in the United States from the Department, 1868-1906 (rolls 13 and 14 of M99); despatches from U.S. Ministers to China to the Department, 1843-1906 (M92); and notes from the Chinese Legation in the United States to the Department, 1868-1906 (M98). Also related to matters concerning China are communications to special agents of the United States from the Department, 1852-86 (roll 154 of M77).

Several series of volumes contain material on relations between Japan and the United States. There are copies of instructions from the State Department to U.S. Ministers to

Japan, 1855-1906 (rolls 104-108 of M77); despatches from U.S. Ministers to Japan to the Department, 1855-1906 (M133); notes to the Japanese Legation in the United States from the Department, 1860-1906 (rolls 66 and 67 of M99); and notes from the Japanese Legation in the United States to the Department, 1858-1906 (M163). Also related to matters concerning Japan are communications to special agents of the United States from the Department, 1823-86 (rolls 152 and 154 of M77); and despatches from special agents to the Department, 1794-1837 (roll 10 of M37).

Despatches from U.S. consular officials in China and Japan before 1906 are available as separate microfilm publications for each post. Complementary to the despatches from consuls are instructions to consuls.

The method of arranging the diplomatic and consular series cited above was discontinued in 1906, when the State Department adopted the practice of filing incoming and outgoing correspondence, memorandums, and other documents by subject in a single numerical series. Information on documents relating to China and Japan for the 1906-10 period may be found through the use of card indexes and Lists of Documents in the National Archives of the United States. The Numerical File is available as microfilm publication M862.

Several series in the State Department decimal file, 1910-29, that relate to Chinese and Japanese affairs are available as microfilm publications. In Class 7 there are two series regarding Chinese affairs: one concerning political relations between the United States and China (M339) and the other concerning political relations between China and other states (including Japan) (M341); and two series regarding Japanese affairs: one concerning political relations between the United States and Japan (M423) and the other concerning political relations between Japan and other states (M424). Class 8, internal affairs of states, has records concerning internal affairs of China (M329) and internal affairs of Japan (M422). Additional documents are in the remaining classes of the State Department decimal file:

- Class O. General. Miscellaneous.
- Class 1. Administration, Government of the United States.
- Class 2. Extradition.
- Class 3. Protection of Interests.
- Class 4. Claims.
- Class 5. International Congresses and Conferences.

  Multi-lateral Treaties. League of
  Nations.
- Class 6. Commerce. Customs Administration. Commercial Relations, Treaties and Conventions. Commercial and Trade Agreements.

In Records of Boundary and Claims Commissions and Arbitrations, Record Group 76, there are records relating to the Claims Commissions of 1858 and 1901 between the United States and China.

In Records of International Conferences, Commissions, and Expositions, Record Group 43, are records of several conferences in which the United States and Japan participated. There are records of the Washington Conference on Limitation of Armament, 1921-22, which met to consider the limitation of armaments and certain questions relating to Pacific and Far Eastern problems. There are also records of the Commission To Represent the United States at the Grand Exhibition of Japan, 1917. The exhibition was planned for 1912 but had been postponed, and the records relate mainly to the visit of U.S. Commissioners to Japan in 1908 and to their conferences with Japanese officials. Other relevant records in Record Group 43 are those concerning the Sino-Japanese Dispute, 1930-32 (documents gathered by Gen. Frank McCoy, U.S. representative on the Lytton Commission), those of the U.S. Element, Allied Council for Japan, 1946-52, and those of the Far Eastern Commission, 1945-51.

In Records of the Foreign Service Posts of the Department of State, Record Group 84, are records originally kept at U.S. diplomatic and consular posts. Among these are records of the U.S. Legation (later Embassy) in China, 1843-1945, and of the U.S. Legation (later Embassy) in Japan, 1855-1936, as well as those of various consular posts in those countries.

The records reproduced in this microfilm publication were prepared for filming by Ralph E. Huss, who also wrote these introductory remarks.

3 THE WHITE HOUSE
RECEIVED WASHINGTON
5 PARTMENT OF STATE

December 27, 1937.

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MEMORANDUM FOR COMMUNICATIONS AND REGITTES SECRETARY OF STATE

FOR PREPARATION OF REPLY FOR MY SIGNATURE.

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Alfred N. Phillips, Jr. 4th Dist. Connecticut

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES

WASHINGTON, D. C.

December 24, 1937.
60 Glenbrook Road,
Stamford, Conn.

Hon. Franklin D. Roosevelt, President of the United States, Washington, D. C.

My dear Mr. President:

I am writing you this confidentially.

Like many others I have been very much disturbed over the activities of the Japanese for the past months in connection with trampling upon the rights of and the abuse of American citizens abroad as well as disrespect shown by the Japanese toward the American Flag, American Embassies, Ministries, etc.

I have not spoken out against any of these, feeling that this whole delicate matter was being handled by you and the Secretary of State from an intimate knowledge of facts, which knowledge I did not and do not possess.

However, I might wish to make some expression which I feel would show the Japanese that what they have been doing will surely lead us into war with them if such acts are persisted in. Needless to say we all want to avoid war in every way we can!

Therefore I write you to see if you feel it would be advisable or inadvisable for me to make such an expression. I write you feeling that I must not do anything to embarrass you or the Secretary of State in your activities in connection with these matters of momentous policy.

Wishing you the best of the Season's greetings to you and yours in which wish Mrs. Phillips joins me,

Very sincerely,

ALFRED N. PHILLIPS, JR.

ANPjr:TMC

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-75

secember 30 1957

My dear Mr. President:

In compliance with the request contained in the memorandum which you attached to the enclosed letter from the Honorable Alfred N. Phillips, Jr., I am enclosing herewith a suggested reply for your signature. Faithfully yours,

Summer Welles

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Enclosures:

From the monorable Alfred N. Phillips, Jr., December 24, 1937. Suggested reply to Mr. Phillips.

The President,

The White House.

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My dear Mr. Phillips:

I have your letter of December 24 and I greatly appreciate the spirit in which you give expression to your desire to be helpful and to avoid action which might occasion embarrasement in connection with the handling of difficult problems of fereign relations.

Frankly, I hesitate to offer suggestions on the advisability or inadvisability of your making an expression or public address along the lines indicated with regard to a matter which, as you say, is a delicate one. Guided by your general understanding of the problem and your interest in the public welfare, I feel that you will be able yourself to reach an appropriate decision. In your consideration of the matter, might it not be useful for you to consult with Kembers of the Congress who have had considerable experience in connection with such subjects and who have special responsibilities in relation

The Honorable

Alfred N. Phillips, Jr.,

60 Glenbrock Road,

Stamford, Connecticut.

tion therete, for instance, the Chairman of the House Coumittee on Foreign Affairs and the Chairman of the Senate Committee on Foreign Relations.

I thank you for your personal message conveying the Season's greetings. Mrs. Recevelt joins me in best wishes to you end Mrs. Phillips for the New Year. Cordially/yours,

P.H. OR DEC 30 1937.Pr

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No. 609

# EMBASSY OF THE UNITED STATES OF AMERICA

Nanking, China, October 27, 1937.

Subject: Proposed Measures for the Safeguarding of Foreign Interests at Shanghai and Nanking; "Neutralization" Schemes.

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COPIES SENT TO O.N.I. AND M.I.D

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The Honorable

Secretary of State,

Washington, D. C.

FAR LASTERN AFFAIRS C 2 8 1937 DUSER ON POLLOGIE RELATION

MR. HORNBECK JAN 1 3 1938 PARTMENT OF STA

I have the honor to enclose copies of various memoranda of conversations held during the month of August in regard to the general subject indicated at Important developments the head of this despatch. along these lines were reported to the Department by telegraph at the time, but the memoranda, although

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belated, are submitted as being of probable value in the files of the Department.

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The first enclosure records an interview held by the interested diplomatic representatives (Ambassadors of the United States, Germany, Great Britain, France and Italy) with General Chiang Kai-shek, President of the Executive Yuan, on August 13, 1937. In the light of subsequent events, and in view of the fact that on the day it was held the first fighting between Japanese and Chinese troops began at Shanghai, the interview was significant. This conference and similar conferences held the same day by the interested consular authorities with the Japanese and Chinese authorities at Shanghai, constituted the final effort of the Powers to ward off at Shanghai the conflict that has continued from that day to the present time with such unexpected success on the Chinese side, increasing in its destructive ferocity until, at the time of writing, it may roughly be estimated that almost two hundred thousand troops, between one and two hundred air-planes and scores of naval vessels, besides other mechanized equipment, are being utilized by the Japanese, against greatly inferior mechanical equipment, but a larger force of men, by the Chinese. The Chinese, in spite of a heroism and tenacity of which the world had hardly deemed them capable, are finally being overwhelmed by sheer weight of metal and are slowly withdrawing from their first positions in the areas north of the International Settlement.

To return, however, to the conference between the foreign diplomats and General Chiang Kai-shek, it will be noted that the Generalissimo stated that he had not invited their attendance to discuss specific plans for the avoidance of hostilities at Shanghai, but to inform them that while it was not China's desire to fight Japan at Shanghai, or anywhere else, nevertheless, Japan had assembled a large military force at Shanghai, with the purpose of creating a "special area" including Shanghai, Soochow and Sungkiang, according to positive information reaching the Chinese Government, and China had, therefore, brought up troops and would oppose the carrying out of this plan.

On August 11 joint representations had been made to the Japanese and Chinese authorities by the interested foreign diplomatic representatives in the hope of excluding Shanghai from the area of hostilities, and, in spite of the fact that General Chiang Kai-shek had not convened the conference of the 13th to discuss the details of the proposals made, there was considerable debate in regard to the Chinese and Japanese raplies, which had just arrived. It seems important at this juncture to invite attention only to two points that arose in this debate: General Chiang strongly emphasized the unwillingness of China to come to any arrangement with Japan unless in the presence of third parties as witnesses, or guarantors; this position has been announced by General Chiang on several

several occasions since August 13 and is based on the asserted impossibility of relying on Japanese execution of undertakings and on the practice of the Japanese of insisting that the Chinese have made agreements, or that agreements have a meaning, of which the Chinese are unaware; the second point to which attention should be called is the announcement which I, as American Ambassador, made to General Chiang that the area of the International Settlement south of Socchow Creek had been constituted a place of refuge for American and other foreign nationals.

2/

The second enclosure is the account of a conversation held on August 21 with Dr. Hu Shih, the celebrated Chinese philosopher and writer, who has since then gone to the United States for the purpose of spreading information in regard to the Chinese side of the present conflict. Dr. Hu Shih recounted to me efforts which he had made to persuade the Chinese Government to attempt to reach a compromise with the Japanese Government, in order to prevent hostilities; these efforts had made some progress, but were interrupted by the breaking out of fighting on Aug-We discussed the efforts which had been made ust 13. by foreign Powers to exclude Shanghai from the field of hostilities and Dr. Hu Shih thought that something still might be accomplished and promised to investigate the subject. He was interested in the project especially as a possible route to negotiating peace.

3/ The third enclosure is an account of a conversation held on August 21, 1937, between the interested diplomatic representatives, dealing mainly with two subjects: (1) proposals for the "neutralization" of Shanghai emanating from the Japanese Government through the French Embassy in Tokyo; and (2) a proposal made by the German Ambassador that an attempt be made to induce the Japanese to refrain from bombing that area in Nanking in which the foreign Embassies are situated. request of my colleagues I subsequently communicated the latter proposal to the American Embassy in Tokyo and apparently it received some attention from the Japanese authorities, for the area delimited has generally not been molested by bombs, although on one or two occasions the German, French and British Embassies have been badly shaken by bombs in their vicinity.

tion between the Counselor of Embassy on August 21 and the Italian Ambassador, in the course of which the Ambassador said that the Japanese Government had broached to the Italian Government the possibility of creating a neutral zone in Nanking, a fact which might ensure a favorable reception for the joint proposal which had been agreed upon that morning, although the Ambassador feared that the suggested area might seem to the Japanese Government too extensive.

4/

5/ Enclosure No. 5 recounts another portion of the discussion

the statement of the Italian Ambassador that the French Ambassador had told him that afternoon (August 21) that he had news from Tokyo that Japan had abandoned its "non-aggravation" policy toward China, in consequence of which it was useless to discuss further the "neutralization" of Shanghai, and Nanking might be bombed more ruthlessly than theretofore. Shortly after this conversation very much the same news was telephoned to the Counselor of Embassy by an American Catholic missionary, who had received it from the French Embassy, through the medium of a French Catholic missionary. (The more ruthless bombing occurred, in fact, during the night of August 26.)

6/

Enclosure No. 6 is a memorandum of a conversation between the interested diplomatic representatives on August 25, touching upon the question of the "neutralization" of Shanghai, at which the unanimous conclusion was reached that the Japanese policy in China would net very little advantage to Japan, in comparison with the tremendous effort which Japan would be called upon to make. I told my colleagues that in view of the chaos which I believed was impending I was taking steps to have American women and children brought from interior places to points of concentration.

7/

As enclosure No. 7 there is enclosed a memorandum of another phase of the conversation dealt with in the preceding

preceding enclosure, that is, a proposal that we should endeavor to bring about the neutralization of the Whangpoo River lying within the boundaries of the International Settlement south of Soochow Creek, which area I had notified General Chiang Kai-shek on August 13 had been converted into an area of refuge. A note was addressed to the Minister for Foreign Affairs the same day, setting forth the proposal, but no action was proposed to be taken in Tokyo, because the Japanese Naval authorities in Shanghai had already approved the idea, subject to acceptance by the Chinese. The Chinese reply reserved China's inherent right to utilize the Whangpoo river over the entire length, and conditioned its promise not to commit hostilities in the designated section in such a way that no assurance was felt that the river would be immune from warlike action.

8/

Enclosure No. 8 reports still another phase of the conversation of August 23, relating to a proposal that Tsingtao be made into a sanctuary for the safety of European and American refugees. This proposal was taken up with both the Japanese and Chinese authorities, but without substantial result, both sides conditioning a promise to refrain from military action in Tsingtao on abstantian from such action by the other side. In these circumstances I felt that no reliance could be placed on the immunity of Tsingtao from involvement in the conflict and that American citizens should not be

encouraged

encouraged to remain there, and I so informed the Department. In spite of the fact that no fighting has yet taken place in Tsingtao, I still have the conviction that Tsingtao is unlikely to escape permanently the breaking out of hostilities.

9/

Enclosure No. 9 is the account of a conversation between the interested diplomatic representatives (German, French, British, Italian and American Ambassadors) on August 25, 1937, during which I informed my colleagues of the result of the representations made by the American Ambassador at Tokyo to the Japanese Government in support of the determination arrived at by the diplomatic representatives in Nanking on August 21 to attempt to induce the Japanese Government to refrain from bombing the area in which their embassies were situated (see enclosure No. 3 above). The Department will, perhaps, recall that the Ambassador at Tokyo reported in his telegram of August 23, 9 p.m., that the Japanese Foreign Office replied orally that it was the earnest desire of the Japanese Government to safeguard the embassies, warships and merchant vessels at Nanking of the designated Powers, but pointed out that in the area outlined there were various Chinese military works and a number of establishments connected with military operation, as well as Chinese vessels and fortresses, and the warning was given to the Powers in advance that if the Chinese should make use of these agencies for any hostile or provocativa

activity

activity, the Japanese Government might be forced to take necessary measures to cope with it. During the second night following the conversation reported in this enclosure occurred the longest and heaviest air attack made up to that time, but it was regarded as somewhat reassuring that with the exception of bombs dropped near the Soviet and Belgian Embassies, rather near to the boundary of the delimited area, there was an apparent attempt to comply with the request that no bombs be dropped within the indicated lines (see my telegram of August 27, 3 p.m.).

While touching on this subject, however, it may interest the Department to refer to the telegram from the American Consul General at Shanghai on September 19, 1 p.m. (repeated to the Department), transmitting the warning given to the Embassies by the Commander in Chief of the Japanese Third Fleet, for the purpose of observing the significant similarity of phraseology used in the proviso attached to the promise of the Japanese Foreign Office to respect the area containing the Embassies and that used in the warning of September 19. As already remarked, the earlier assurance of immunity was qualified by the statement that the Japanese Government might be forced to take necessary measures to cope with hostile or provocative activity, if there should be such on the part of Chinese military works and establishments connected with military operation which, in addition to fortresses and vessels, were asserted to be in

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the designated area; while the warning stated that the Japanese Naval air force might, after September 21, 12 noon, have to resort to such offensive measures as bombing and otherwise on all establishments pertaining to Chinese military activities in the city of Nanking. The Japanese Commander in Chief earnestly advised all foreign officials and nationals living in and around Nanking to move into areas of greater safety, in view of the possibility that the nationals of friendly Powers might become dangerously involved in the hostilities, in spite of all the precautions the Japanese air force intended to take.

It was my opinion that if I retained the Embassy staff in the area designated after having received the official warning of the Japanese authorities that their precautionary measures might be ineffective and in the face of their practical disavowal of responsibility, and if injury then befell the staff, I should be unable to explain my failure to act upon the warning and would almost certainly involve American-Japanese relations in an incident which would not only be inflammatory of public opinion in the United States, but would be difficult of adjustment through diplomatic means. Moreover, having continuously conveyed to American citizens in numerous localities the Department's earnest advice to evacuate rather than fall into dangerous situations, I felt that if I remained in the Embassy there would appear to be an inconsistency between the nature of the advice

given

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given to American citizens elsewhere and the principles applied in my care of the American citizens in the Embassy itself which might lessen the effectiveness of the general policy. These considerations were explained in my telegram of September 21, 12 The expected heavy bombardment did not take noon. place on September 21, the beginning of the warning pericd, but a heavy air attack took place on September 22 and although bombs were dropped in the area for which immunity had been asked, the locality of the American Embassy was not subjected to attack, and I accordingly directed my staff on the afternoon of September 22 to return to the Embassy. It is my impression that the short transfer of the staff and the work of the Embassy to the Nanking water-front has aroused so much attention that the Japanese forces will not again make even a covert threat against the foreign diplomatic missions.

10/

The final enclosure to this despatch is a memorandum of a conversation held by me with the Secretary of the Soviet Embassy on August 27, at which time I informed him of the assurance of safety given by the Japanese Government, with its qualifications, in the benefits of which assurance the Soviet Embassy would share. At the same time, I may observe that the information I conveyed to the Soviet Embassy did not deter the Embassy from constructing a very elaborate bomb-proof shelter. It is possible that the assurance

of safety appeared to the Soviet official in a somewhat ironical light, inasmuch as that very morning several Japanese bombs had fallen with two hundred yards of the Embassy. It is said that on one of the captured air-bombing maps taken from a fallen Japanese plane the Soviet Embassy was specifically marked for attack. I cannot vouch for the accuracy of this statement.

Respectfully yours,

Nelson Trusty husa

Enclosures:

Ten, as described.

Original and four copies to the Department. Copy to Peiping. Copy to Tokyo.

WRP/RW

ENCLOSURE NO	/
TO DESPATCH NO.	
DATED	

### emorandum of Conversation.

Nanking, August 13, 1957.

General Chiang Kai-shek, President of Executive Yes

Dr. Osear P. Trautmann, German Ambassader

Mr. Helson T. Johnson, American Ambassador Mr. Paul Buile Haggiar, French Ambassador Sir Hughe Knatchbull Hugessen, British Ambassador Mr. Giuliane Cora, Italian Ambassador

Present: Vice Minister for Foreign Affairs Dr. Hou Mo, (interpreting)

Mr. Willys R. Peak, Counseler of the American Embe say

Mr. A. D. Blackburn, Counselor of the British Embassy

### Crisis in Chinese-Japanese Relations: Conflict in Shaughai. Subject:

The Generalissine inquired what information the Ambassedors had from Japan.

The German Ambassador said that the five interested Ambassadors had received that afternoon from the Japanese Ambassador a communication in reply to the communication addressed to him at the same time that one had been addressed to the Fereign Office expressing the hope that the Shanghei area night be excluded from the area of hostilities. Dr. Trautmann reed aloud the reply from Ambassader Kavagoe and pointed out that it presented a hopeful opening for some sort of agreement which would keep the Shanghai area out of the area of hostilities. For one thing, this seemed the first time

**Table** 

the Japanese authorities while asking for the withdrawal of the Chinese forces, were willing to give an undertaking on their own part to withdraw their forces.

General Chiang asked what was meant in the Japanese reply by "outside fighting distance". There was some discussion of this phrase, but no one present was prepared to define it.

The French Ambassador remarked that the Japanese communication was novel in another respect, in that it invited foreign powers to interes themselves in the dispute between China and Japan; hitherto the Japanese Government had indicated its unwillingness to have anything savoring of intervention by third powers. Mr. Naggiar thought that if Ambassador Kawagoe in addressing this communication to them was acting with full authority to speak for all departments of the Japanese Government, the effer made in the communication was worthy of the most careful attention of the Chinese authorities. The Italian Ambassador supported what had been said by the German and French Ambassadors.

The British Ambassador said that he thought he could speak for his Colleagues in saying that the Powers represented on the Joint Commission created in consequence of the truce of 1932 would be willing to direct their representatives on the Commission to assist in the carrying out of any arrangement which the Japanese and Chinese authorities might make providing for simultaneous withdrawal, by serving as umpires or observers; in this case such representatives would not, of course, base their actions in any sense on the Truce Agreement of 1952, but would merely happen to be the members of the Joint Commission which grew out of the Agreement.

Dr. Haw No inquired whether such a body would supervise the withdrawal by both sides.

Sir Hughe said that they would not "supervise" anything, but would be observers to whom any questions regarding the performance of the arrangement arrived at sould be referred either by the Japanese or the Chinese. The Ambassadors made it clear that they did not propose to suggest any terms of an arrangement to avoid hostilities; these would have to be devised and agreed to by China and Japan and the Powers were not offering to act as mediators.

General Chiang said that it was the invariable experionee of Chian that whenever Japen intended to fight
in Chian, it first presented some sort of "settlement".
He inquired whether the Ambassadors would be willing to
guarantee performance of the terms of the proposed arrangement by the Japanese. The American Ambassador said that
the American Government would not serve as guaranter for
the earrying out of any arrangement by either country and
he said that in reference to the particular communication
from the Japanese Ambassador which they had been discussing, he had no authority from his Government either to

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present the proposals it contained with any implication of approval or with any offer to guarantee execution of an arrangement for withdrawal of troops, arrived at in consequence of the offer.

Sir Hughe said that he was not authorized by his Government either to mediate or to guarantee anything in connection with this controversy.

General Chiang seemed slightly amused by the refusal of all the Ambassadors to serve as guaranters of
the execution of a withdrawal arrangement, and the French
Ambassador observed that speaking for his own Government it could guarantee only its own position and actions;
not being cognizant of the views and intentions of another Government it had no basis for guaranteeing its
actions.

General Chiang said that he deeply appreciated the interest taken in the Chinese-Japanese controversy by the interested Ambassadors. However, it was not to discuss the specific question at Shanghai that he had invited them to some to see him. His purpose had been to inform them that China did not want to fight and did not intend to wage war against Japan. He must point out, on the other hand, that it was obviously Japan's intention to fight, because Japan had sent large reinforcements to Shanghai, Japanese war vescals had some to Shanghai in large numbers, and Japanese airplanes had made

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reconnaissance flights over all the surrounding areas. He suggested that the offer contained in the Japanese Ambassador's communication could profitably be considered by the Ministry of Foreign Affairs.

General Chiang said that Chinese troops had been sent to the Shanghai area because of these military preparations by Japan and because the Chinese Government had positive information that Japan intended to create a "special area" in the lower Yangtze region, including Shanghai, Sooshow and Sungkiang.

Mr. Core brought the conversation back to the specifie subject of the situation at Shanghai by again referring to the apparent practicability of ecming to an arrangement for the separation of the Chinese and Japanese forces, now about one hundred yards apart, and thus averting warfare from the areas in which foreigners lived, this being the subject in which the diplomatic representatives were primarily interested. Mr. Johnson said that he wished to inform General Chiang that according to information he had received from Shanghai foreign nationals other than Japanese had been brought in from outlying districts, including the region north of Sooshow Creek and had been concentrated in the part of the International Settlement south of Soochow Creed and in the French Concession and that the part of the Intermeticaal

Settlement

Settlement south of Sooehow Creek was being patrolled and protected by the Municipal Police and the International Defence Forces. It was the intention to protect these fereigners in those areas if unfortunately there should be any disturbances outside of them.

General Chiang inquired why foreigners were being withdrawn from the area north of Soochew Creek and Mr. Johnson said that that was the area in which most Japanese resided and the desire was to remove his nationals and he supposed other nationals from regions which might become disturbed. He felt that the Powers were entitled to expect that the areas he had mentioned would be respected.

General Chiang reiterated that it was not Chian's desire to fight Japan in Shanghai, or anywhere else, but if the Japanese troops made the International Settlement a base of hostile operations against Chiam, then the International Settlement could not expect to escape damage.

The British Ambassador said that he would like to take the opportunity afforded by the conversation to say with all the formality possible that he had just received an instruction from his Government to inform the Chinese Government that it was the hope of the British Government that the door to negotiation with

Japan would never be elesed.

The Italian and French Ambassadors reised the question of the position of the Diplomatic Body in Namking, they at the moment being faced with partial or complete interruption of steamer, rail and telegraphic communication with the outside world. They inquired whether some arrangement could not be made for them so that they could move freely and at least communicate with their Governments.

General Chiang said that he thought some special arrangement could easily be made, as by attaching a special car to trains for the use of the Embassies. He suggested that the Ambassadors mention the matter to the Ministry for Foreign Affairs.

Just before the Ambassadors took their leave General Chiang said once more that he was grateful for their interest in these affairs and for their acceptance of his invitation to meet with him so that he might make it absolutely clear to them that China had no wish to fight Japan.

American Ambanescor.

WRP:Mi 5 copies to Department Gopy for Peiping Gopy for Tokyo

Memorandum	of	Conversation.

FN CLOSURE NO	2
TO DESPATCH NO.	
DATED	

Nanking, August 21, 1957.

# Dr. Hu Shih and Mr. Johnson.

Subject: Sino-Japanese relations.

Dr. Hu Shih called and told me that shortly after his arrival in Nanking about the 28th of July he went on his own account to see the Generalissimo and Dr. Wang Chung-hui and urged upon them the necessity of keeping open diplomatic relations with Japan and of accepting the responsibility of attempting to find a peaceful settlement, even to the point of being ready to discuss thoroughly with the Japanese all of the fundamental differences between the two countries. He said that his proposal - and it was accepted by the responsible authorities - was in two parts: first, a truce with restoration of the status quo ante; and after three months a second and final step which was to be an official peace conference between the two countries, at which the whole situation between Japan and China should be thoroughly discussed and general principles definitely agreed upon. He daid that he had urged upon the authorities that such comference must make a definitive peace, even to the point of making considerable sacrifices, in order to give China twenty or thirty years of peaceful development.

He stated that the leaders were favorably inclined

254

and even invited Kawagoe to come to Shanghai; that there was some prospect of progress; that on the 15th an emissary was to have gone to Shanghai, when the trouble at Shanghai broke out and then the whole plan got swallowed up in the Shanghai situation which has gone from bad to worse. He stated that the Government had been very mervous over the situation at Shanghai; that they did not wish to find themselves unprepared, and that with the appearance of such a large number of Japanese warships eff the Yangtze there seemed to the Government that there was nothing else to do but place their troops in position.

Dr. Hu Shih stated that he was still optimistic and that the other day he had again sought out the General-issimo and sounded him out on the matter of some settlement. He said that he had found the Generalissimo somewhat less inclined to peace measures than before, but still conscious of his responsibility; and he stated that he believed the responsible leaders even new were anxious to find some way to bring about a peaceful settlement.

or. Hu Shih referred to the proposals of the Consuls at Shanghai which called for the evacuation of Shanghai by the forces of both sides. He felt that Mayor Yui's reply to this proposal, while official, was not completely definite, and that there was a possibility that responsible Chinese authorities might yet be willing to accept this proposal. He stated that Mayor Yui seemed to think that the proposal was worse than the 1952 Trues; whereas,

as a matter of fact in his opinion it left Shanghai in a better situation. I pointed out that the Consular proposal would have resulted in the complete demilitarization of Shanghai by both sides. Dr. Hu Shih understood this. I told Dr. Hu Shih that if responsible persons in the Chinese Government were to place before me and the British Ambassador a definite undertaking to accept the Consular proposal as a basis for discussion I had no doubt that we would be willing to put this up to the Japanese Government: but that we could in no sense be required by either side to guarantee the acts of the other; that this had seemed to be the attitude of the Generalissimo, and that it would have to be definitely understood that we were not prepared to accept any such responsibility: that if anything were done, it must be understood that it would have to be done by responsible people on behalf of China.

Dr. Hu Shih stated that he expected to attend a meeting this evening and that he would see whether something could not be done along this line. He said that he was the more persuaded of this as it might lead to further peace discussion.

Dr. Hu Shih stated that there seemed to be an impression in the mind of the Generalissimo that the United States was less active at this time than the British, in contrast to the situation in 1951-52. I teld Dr. Hu Shih that it seemed to me that this was a wrong impression;

that

that we had said publicly all there was to be said in 1951, at a time when public opinion in the United States steed very much in need of information regarding the state of affairs; that we had not retracted a syllable of what was said then; that on the contrary the Administration had steed on everything that was said in 1951-58; and that I thought the really significent thing about the present situation was, not that we had gone back, but that the British had finally caught up with us.

Dr. Hu Shih stated that the Generalissimo had asked him to go to the United States traveling by the Clipper. For his part he said he felt that there was little use in his going.

Nelson Trusler Johnson, American Ambassador.

5 copies to the Department.
Copies to Peiping, Tokyo and Shanghai.
NTJ.EA

Memorandum	of	Conversation.

ET CLOSURE NO	3
TO DESPATCH NO.	
DATED	

Add . Wife

Manking, August 21, 1937.

Dr. Oscar Trautmann, German Ambassador Mr. PAul E. Maggiar, French Ambassador Bir Mughe M. Matehbull-Mugessen, British Ambassador, Mr. Giuliano E. Oora, Italian Ambassador and Mr. Johnson.

Present: Mr. Blackburn, Chinese Counselor, British Embassy, and Mr. Peck.

Subject: Sino-Japanese relations.

We met to-day for the purpose of exchanging information. The French Ambassador brought with him a series of telegrams from his Embassy at Tokyo which, summarized, were to the following effect:

"The French Military Attache was informed on August 19 by the Japanese General Staff that the three Ministries of Foreign Affairs, War and Marine, are in agreement to accept, if the proposal was made to them, the neutralization of a zone to be fixed around Shanghai on the four following conditions:

1. Cossation of the Chinese attacks and withdrawal of all armed forces to the boundary of the neutralized zone.

2. Negotiation under the guarantee of the five Powers.

3. Suspansion by the Japanese of the despatch of reenforcements to Shanghai until a date to be fixed, from which late the Japanese army would resume its liberty of action in ease of the breakdown of the negotiations.

4. During the course of the negotiations no aviation activity, either Chinese or Japanese, to the east of a line to be fixed around Shanghai."

He stated that he had at once called on Mr. Wei Tao-ming, Acting Secretary General of the Executive Tuen, and had communicated communicated this to him, as it seemed to offer a possible road to a truce. We all agreed that we would communicate this to our respective Governments.

The German Ambassador had with him a map of Manking upon which he had drawn a line extending eastward from the Hansimen to the Hain Chick Kou Circle, north from the Circle to Pei Chi Ke (Meteerological Observatory Hill), continuing north along the city wall - following the sinussities of the wall - until it reached a point near the river and them to the river at the railway ferry; the line then took a westward course to include the Yangtze and Haiakwan, and returned south along the city wall back to Hansimen. It was the German Ambassador's suggestion that we communicate this area to our respective Embassies at Tokyo with the request that they get in touch with the Japanese with a view to having the erea enclosed in this line marked out on Japanese air maps as an area exempt from bombing attacks.

It was agreed that I should communicate this to the American Embassy at Tokyo for communication to the other Embassies.

Melson Trusler Johnson, American Ambassador.

5 copies to the Department.
Copies to Peiping, Tekye and Shanghai.
MTJ.EA

TICLOSURE NO. 4	
C DESPATCH NO.	
ATED	

Memorandum of Conversation.

August 21, 1987. 6 p.m.

Subject: Neutralization of a portion of Manking.

The Italian Ambassador called at the Embassy and in the course of a general conversation remarked to Mr. Peck that he had received from Rome a correction to an earlier garbled telegram which, after this correction, informed him that the Japanese Government had inquired of the Italian Government about four days ago whether a plan could not be formed for the defining of a neutral zone in Menking. Mr. Core observed that since the Japanese Government had taken this initiative some days ago, the joint telegram which the interested ambassadors had agreed upon that morning, to be sent to the Japanese Government through the American Embassy in Tokyo, would probably have a favorable reception. He thought, however, the Japanese Government would find the suggested area too large. Mr. Peck remarked that if the Japanese Government asked the Embassies to guarantee neutrality of the sone from the Chinese side. the project would meet the same difficulty which had been encountered at Shanghai.

> Willys R. Peck, Counselor of Embessy.

Five copies to the Department One copy to the Embassy, Pelping One copy to the Embassy, Tokyo

WHP /MCL

ENCLOSURE NO. 5

Memorandum of Conversation.

August 21, 1957. 6 p.m.

Subject: Neutralization of Shanghai.

and in the course of a conversation with Mr. Peck seid that he had been told by the French ambassador that afternoon that the latter had received a telegram from Tokyo that the Japanese Government stated that it had abandoned its "non-aggravation" policy toward China, in consequence of which all plans for the neutralization of Shanghai were futile, including the one with "four points" discussed at the meeting of the five interested ambassadors at the American Embassy on the morning of August 21.

(Shortly after this conversation Father Kearney, an American Catholic missionary in Manking, telephoned and said that the French Embassy had warned the French Catholic missionaries that an important change of policy had taken place in Japan and that the Japanese were now determined to pursue a more ruthless course of action and might bomberd Manking more severely than hitherto. The French Embassy therefore advised all French missionaries to leave Manking at once.)

Willys R. Peck, Counselor of Embessy.

WRP/MCL

Five copies to the Department One copy to the Embassy, Peiping One copy to the Embassy, Tokye. Memorandum of Conversation.

FNCLOSURE NO. 6

Manking, August 25, 1957.

Dr. Oscar Trautmann, German Ambassador Mr. Paul E. Haggiar, French Ambassador Sir Hughe Knatchbull-Hugessen, British Ambassador Mr. Giuliano E. Cora, Italian Ambassador and Mr. Johnson,

Present: Mr. Blackburn, Chinese Conseler, British Embassy, and Mr. Peck,

Subject: Neutralization of Shanghai.

My colleagues having met here for the purpose of exchanging information, the British Ambassador stated that he had this morning been to see the Generalissimo Chiang Kai-shek and had informed the Generalissimo that the Japanese Government had under consideration the British proposal for the neutralization of the Shanghai area. He had expressed the hope that the Chinese would state categorically that they would likewise consider the matter. He stated that the Generalissimo had indicated that he would reply to this suggestion through the Foreign Office.

We discussed the general situation and all agreed that the Japanese seemed to be embarked upon a policy in China which could not bring any great measure of success; that Chinese resistance might be feeble, but would continue over a long period of time, necessitating the use of a very large force by the Japanese and the expenditure of enormous sums of money.

I stated that it seemed to me the only thing the Japanese would accomplish out of all this would be the ereation of chaos throughout all of China, and that with that end in view I was already taking steps to have American women and children evacuated from interior places to places of concentration whence they might if necessary be withdrawn.

I read to the colleagues a telegram from Tokyo stating that the Japanese were instructing their aviators to leave Kuling alone.

Melson Truster Johnson, American Ambassador.

5 copies to the Department.

Copies to Peiping, Tokyo and Shanghei.

MTJ.EA

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter O. design NARS, Date 12-18-75

Mamorandun	of	conversation.

TO DESPATCH NO.\_\_\_\_\_\_
DATED\_\_\_\_\_

Manking, August 23, 1957.

Dr. Oscar Trautmann, German Ambassador Mr. Paul M. Naggiar, French Ambassador Sir Hughe Knatchbull-Hugessen, British Ambassador Mr. Ciwiliano E. Cera, Italian Ambassador and Mr. Johnson.

Present: Mr. Blackburn, Chinese Counselor, British Embassy, and Mr. Peek.

Subject: Neutralisation of Whangpoo River in front of International Settlement and south of Socehow Creek at Shanghal.

My colleagues having met with me for the purpose of exchanging information, I laid before them the proposal of the Admiral of the United States Asiatic Fleet in which he stated that the Japanese Admiral had agreed not to send any Japanese men-of-war into the Whangpoo south of Secence Creek provided the Chinese would agree not to send through the same area, from the barrior already established mear Mantee, ships for the purpose of making any attack on Japanese.

We agreed that we would address a joint note to the Minister for Foreign Affairs laying this proposal before him and requesting his assent.

> Welson Truster Johnson, American Ambassader.

5 copies to the Department.
Copies to Peiping, Tokyo and Shanghai.
NTJ.RA

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0. August 10, 12-18-75

	FIC (SURE PO. 0
	TO DESPATCH NO.
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Hanking, August 23, 1957.

Dr. Oscar Trautmann, German Ambassader, Mr. Paul E. Maggiar, French Ambassader Sir Rughe M. Knatchbull-Hugessen, British Ambassader Mr. Giuliano E. Oora, Italian Ambassader and Mr. Johnson.

Present: Mr. Blackburn, Shinese Counselor, British Embassy, and Mr. Peck,

Subject: Sanctuary at Tsingtae.

My colleagues having met to exchange information.

I laid before them the proposal of the Commander-inChief of the United States Asiatic Fleet for the making
of Tsingtae a sanetuary for the safety of many Europeans
and Americans now residing at thet place, and we agreed
that we would address a joint note to the Minister for
Fereign Affeirs proposing such an arrangement, at the
same time requesting our respective ambassies in Tokye
to address similar requests to the Japanese Government.

I undertook to transmit the request to the Embassies in Tokyo through the American Embassy.

Melson Trusler Johnson, American Ambassador.

5 copies to the Department.

Copies to Peiping, Tokyo and Shanghai.

NTJ.EA

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, dustiff NARS, Date 12-18-75

Memorandum of Conversation.

FNCLCSURE NO. 9
TO DESPATCH NO. DATED

Nanking, August 25, 1937.

Dr. Oscar P. Trautmann, German Ambassador Fr. Paul E. Naggiar, French Ambassador Sir Rughe M. Knatchbull-Hugessen, British Ambassador Fr. Giuliano E. Cora, Italian Ambassador and Mr. Johnson,

Present: Mr. Elackburn, Chinese Counselor British Rabassy, and Mr. Peck

Subject: Safety of area in Nanking within which Pabassies are located.

The above mentioned colleagues having met this morning for the purpose of exchanging information, I read to them the telegram received from the American Embassy at Tokyo reporting the result of representations made there regarding the safety of the area within which the foreign Embassies are located in Manking from Japanese air raids. The other colleagues stated that they had received similar reports from their Embassadors at Tokyo.

I told the colleagues that I intended to get in touch with our Soviet colleage and inform him of what we had done.

Melson Trusler Johnson, American Ambassador.

All in the

5 copies to the Department.

Copies to Peiping, Tokyo and Shanghai.

NTJ.RA

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Susias NARS, Date 12-18-75

FMCLOSURE NO.	10
TO DESPATCH NO.	
TATED_	

#### Memorandum of Conversation.

Hanking, August 27, 1937.

Mr. Gregory M. Melamed, First Secretary of the Embassy of the U.S.S.R., and Mr. Johnson.

Subject: Safety of area within which Embassies are located at Manking.

Mr. Melamed called this afternoon at my request and I informed him that after discussion with my British, French, Garman and Italian colleagues we had sent to our Embassies at Tokyo a suggestion that the Japamese instruct their bombers to avoid an area roughly bounded by a line as follows: from the Hansimen to the circle known as Hsin Chich Kou, thence to Pei Chi Ko (Meteorological Observatory Hill), and along the northeastern wall of the city to a point on the Yangtze River that would include Hogee, thence westward including that part of the Yangtze where neutral shipping is anchored as far as the west wall of the city, and thence following the wall south back to Hansimen. I pointed out that within this area all of the Embassies are situated, including his own.

I then read to him the telegram which I received from the American Embassy at Tokyo reporting the statement of the Japanese Minister for Foreign Affairs to the effect that Japanese bombers had been instructed to exercise special care not to endanger the Embassies;

but

but that within the area demarked there were certain Chinese forts and military activities which would be attacked if they carried on hostile attacks against the Japanese.

I told Mr. Melamed that I had wished to impart this information to his Ambassador. Mr. Melamed thanked me for the information and said that he would duly give it to his Ambassador.

I said that the Japanese had indicated that the Ambassies and other foreign interests including ships should distinguish themselves by marks such as flags on roofs, et cetera, and lights at night. I teld Mr. Melamed that I had informed Tokyo that flags were displayed, but that lights at night were impossible as all the city was darkened during air raids.

Nelson Trusler Johnson, American Ambassador.

5 copies to the Department.

Copies to Peiping, Tokyo and Shanghai.

MTJ.EA

EG

FROM

SECOND BRIGADE USMC

FAR EASTEN

DEC

December 28, 1937

Rec'd noon

ACTION: CINCAF

INFO:

AMCON SHANGHAI COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

COMSOPAT

AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

793.94

0029. West and southwest Hangchow Japanese in possession Linan and Sinteng Chinese concentrating large number troops vicinity Lanchi on Hangchow Nanchang Rail road 100 miles southwest Hangchow. Heavy fighting reported at Kashan on Thinapu 50 miles north Pukow and Kaoyu 43 miles north Chinkiang on Grand Canal. Hand grenade thrown today into Japanese army sampan from Chekiang Road bridge, no casualties reported. Municipal police apprehended one suspect. 1859.

HPD

4

EG

FROM

PLAIN

Tsingtao via N. R.

Dated December 28, 1937

Rec'd 2 p

Secretary of State,

AMEMBASSY HANKOW AMEMBASSY PEIPING

Washington.

COPIES SENT 10 O.N.I. AND M.I.D.

793.94 now 893.73

28th, 1125 p.m.

Explosion Earlier in evening wrecked cable fines

to Japan.

SOKOBIN

HPD

AN 1 - 1038 /FG

JR

GRAY

1-1336

Shanghai via N. R. FROM
Dated December 28, 1937

FAR EASTERN AFEMILS

Rec'd 1:50 p.m.

Secretary of State,
Washington.

COPIES SENT TO O.N.I. AND M.I.D.

193.94

1241, December 28, 5 p.m.

///37

Ny No. 1204, December 21, 5 p.m.

Japanese completed occupation of Hangchow on

December 26th and are reported to have pushed west along the Hungehow-Nanching motor road in the direction of Linan. North of the Yangtze River the Japanese are reported to have captured Tienchang 40 miles northwest of Chingkiang. Little change is reported in the area west of Hohsien.

An unidentified Chinese yesterday noon threw two small hand grenades into a sampan carrying Japanese troops along Soochow Creek and slightly wounded one soldier.

A similar incident occurred this morning in which a Japanese soldier was also slightly wounded but in this case the Settlement Police immediately arrested the bomb thrower. The Japanese are allowing the Settlement Police to investigate and handle these cases and have thus far shown no disposition to magnify them.

Repeated to Hankow and Peiping.

RR : WWC

GAUSS

793.94/11855

TELLE

47/11 6

# DOCUMENT FILE

NOTE

Policy in regard to the Government in the application of the Neutrality Act in the present situation in Japan.

Explicit answers to the questions set forth in your letter of December 15 addressed to the President in regard to the-.

## **DOCUMENT FILE**

## NOTE

SEE394.	115 PANAY/192	FOR	Mel #1764, Noon	
FROM	e	(_Bullitt)	DATED Dec. 23.	1937
REGARDING:	Far Eastern Situat Conversation with Foreign Office in	Chief of Far East	tern Division of	
	_			

mr

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77857

FE

ML
This telegram must be closely paraphrased before being communicated to anyone. (B)

Paris
Dated December 23,
1937
Rec'd 12:35 p.m.

72<sup>793,94</sup>

Secretary of State
Washington

1764, December 23, noon.

In the course of a conversation yesterday, the Chief of the Far Eastern Division of the Foreign Office said that he thought President Roosevelt's direct appeal to the Emperor în connection with the PANAY incident was "a most wise move". He said that this appeal, he was sure, had caused "consternation" în the minds of the Japanese military clique; and the impression left on them that the President would resort to the same procedure again, if necessary, would, if anything could do so, tend to have a restraining influence on them.

He went on to say, however, that in his opinion the situation in the Far East is getting steadily worse. He said that the French Military Attache in Tokyo, an unusually capable and dispassionate observer, had reported the growth of a sort of secret society of younger Japanese military officers whose avowed objective is to drive all foreign nations out of China, accepting and even welcoming the risk of war with such nations. Hoppenot said that

when

ML -2- Paris Dec.23,1937 12:35 p.m. #1764

when the Japanese begin military operations near Canton it will be difficult if not impossible to avoid most serious incidents with the British.

Speaking of reports published in the press to the effect that the French and British were discussing the possibility of the British Mediterranean fleet going to the Far East, leaving patrol duty in the Mediterranean to the French fleet alone, Hoppenot said that so far as he knew no such conversations were taking place. He said that despite the seriousness of developments in the Far East neither the British nor the French would make any move to restrain by force Japanese aggression unless the United States participated fully therein. (A member of the British Embassy has made a similar statement to us regarding the reports mentioned above).

BULLITT

¢s b

# DOCUMENT FILE

NOTE

SEE 740,00/251 Confidential File	FOR Tel,#17	71,9pm
FROM France	(Bullitt) DATED NAME	_December_23, 1937

REGARDING: Chautemps and Delbos wish to avoid complications in the Far East.

# DOCUMENT FILE

#### NOTE

		-
FROM Chine (Sankow) ( Johnson ) DATED Rec. 26, 19:  TO NAME 1-1127 ***	37	Q Q

REGARDING:

Removal of Chinese Government and diplomatic representatives from Hankow to Chungking not contemplated immediately; believes that the Japanese will first attack Shangtung and Canton.

9800

T/IMR

79361

ML

GRAY

Hankow

Dated December 26, 1937 Rec'd 7 a.m.

Secretary of State
Washington

106, December 26, 11 a. m.

Department's 19, December 21, 5 p. m.

I am delighted with Department's decision.

Minister of Foreign Affairs is unable to inform me of exact plans of Government but suggested that I make arrangements for accommodations at Chungking, and I am making inquiries through Standard Oil Company with a view to obtaining the house there. I desire to take with me Peck, Aldridge, Jenkins and Lafoon, for past experience indicates that all of us are necessary for code as well as clerical work incidental to telegraphing.

Admiral Mar (?) is arranging to send us up on one of the up river gunboats if and when we move. Present indications are that immediate removal is not contemplated as tension here has been somewhat relieved by belief that Japanese will not (repeat not) attack Hankow at once but will direct their attention first to Shantung and next to Canton.

As regards the women of the staff, it is my belief that

ML -2- Hankow Dec.26,1937 7 a.m. #106

that it is not necessary to consider their evacuation from Mankov at the present moment. Their services are much needed here and evacuation by air will be possible. It is my present belief that it would be possible for them to remain here even through any foreseeable crisis. In any event there will be a number of Americans here and their services in the consulate will be very valuable. I would like to postpone consideration of the question for the time being.

JOHNSON

ROW

# DOCUMENT FILE

# NOTE

SEE 12	4.93/418	FOR Tel	.#1231 6pm	79
FROM Shangh	a <b>i</b>	(	Dec.26,1937	93.94/1
REGARDING:	anc Japan	tuation is Manking consists with the base will tary request the Embassy defer return uni	t staff members of th	1860

emc

F/MR (0390)

743.44

# DOCUMENT FILE

#### NOTE

REGARDING: Sino-Japanese conflict and communizing of China:
Reds claim they will support Chiang Kai Shek
and desire to strengthen government by assistance
of Kuomintang and the communists, rather than to
reorganize the government. Military situation in
Yangtze Valley unchanged.

aa

19811

JS

COMYANGPAT

December 29, 1937

6:30 a.m.

ACTION: OPHAV

INFO:

2ND BRIGADE U.S.M.C. YANGTZE PARTROL COMSUERON 5 COMDESRON 5 COMSOFAT

CINCAF AM-AMBASSADOR CHINA U.S.SMARBLEHEAD ALUSNA PEIPING

793.94

0028 Yangtze River ports quiet 2159

SENT TO O.N.I. AND M.I.D.

Division of

FAR EASTERN AFFAIRS

DT

JS

793.94/11862

/FG

EDA A portion of this tele-gram must be closely paraphrased before being communicated to anyone (a)

CANTON VIA N.R. FROM

Dated December 28, 4 p.m.

Received 7

Secretary of State

Washington

793.94

December 28. 4 p.m.

(GRAY) FROM ROBERTS FOR THE SECRETARY OF

"No sign of early Japanese action this area. Reliable Chinese report transport concentration reported in press as near Macao consists of only three transports. Naval vessels including one small aircraft carrier referred to have been in that vicinity for some time. Consensus here is that the Japanese will delay their attack on Canton at least until after consolidation Tientsin-Pukow Railway Line (END GRAY).

Bocca Tigris defenses observed from steamer: permanent emplacements not visible but batteries of field gund apparently seventy-fives or possibly larger under thatch camouflage, at least twelve guns on left bank and four guns on right bank visible. Steamer did not pass any barrier but made use of shallow passage instead of main channel near where barrier is reported located."

Sent to Department. Repeated to Nanking and Peiping.

LINNELL

NPL:EMB

KILED

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[CONFIDENTIAL]

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#### PARAPHRASE

A telegram of December 28, 1937, from the American Consul General at Canton quotes a message for the Secretary of War from Roberts which reads substantially as follows:

Ho sign of early Japanese action this area. Reliable Chinese report transport concentration reported in press as near Macao consists of only three transports. Haval vessels including one small aircraft carrier referred to have been in that vicinity for some time. Consensus here is that the Japanese will delay their attack on Canton at least until after consolidation Tientsin-Pukow Railway Line.

The steamer did not pass any barrier but, instead of using the main channel near where the barrier is said to be located, it made use of the shallow passage. Defenses of the Bouca Tigris forts seen from the steamer: Permanent emplacements were not visible; however, batteries of field guns under thatch camouflage which appeared to be seventy-fives or possibly larger were seen, at least twelve on the left bank and four on the right bank.

*£9*C. FE:E6C:HES 12-29 J.

LMS

GRAY and PLAIN

Rec'd 6:40 p. m.

FROM Canton via N. R.

Dated December 28, 1937

AMEMBASSY, PEIPING AMEMBASSY, HANKOW AMCONSUL, SHANGHAI AMCONSUL, SWATOW

Secretary of State,

Washington.

COPIES SENT TO FAM EASTERN AFFAMS O.N.I. AND M.I.D!

wigion

193.94

December 28, 6 p. m.

Japanese air raiding December 23 and 24 confined to minor attacks on southern sections of Canton-Hankow and Canton-Hong Kong Railways and Canton-Samshui Line with unimportant consequences. During next three days railways were raided with greater frequency and severity: total about sixty bombs dropped on Canton-Hong Kong Rail- . way at numerous points between thirty and eighty miles from Canton, damage considerable but now repaired; about one hundred and fifty bombs on Canton-Hankow Line at Yingtak and various points south; Sunning Railway raided daily. Japanese planes also reported to have been recently active scouting over Kiangsi border and to have bombed (Namheung?) Namhung in that area yesterday.

Chinese officials state press reports of Japanese

naval

FG

795.94/1186

WB 4/20/38 LMS 2-From Canton, Dated December 28, 6 p. m.

naval concentration near Macao greatly exaggerated. Believed only a few ships there and that these have been cruising along southern coast for some time.

Mailed Hong Kong.

LINNELL

NPL:EDA

JR

793.94

GRAY

FROMHankow via N. R.

Dated December 28, 1937

Rec'd 2:32 p.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND M.I.D.

115, December 28, 2 p.m.

Following from Stillwell for War Department.

"From Captain Dorn, Tsingtau. Before destruction Japanese property Li Tsung Jen ordered fifty-first army withdraw to Hsuchowfu. After blow up Yu Hsueh Chung decided await developments at Kaomia. Unknown number Japanese irregulars crossed river forty miles north Chowtsun on 24th, were met by vanguard Fifty-first army moving west on K T Railway and were driven back towards river. Chowtsun bombed. On 25th Han Fu Chu destroyed railway bridge near Tsoshan thus forcing Yu to retreat by road, vulnerable to air attacks. Believe Han wants to keep Tsinpu clear for retreat of his own army. Han now in Taian. Third Route Army about to start retreat to south. Chowtsun reported captured by Japanese this morning (27th). No communication with Tsinanfu'.

Query: Is Captain Dorn to report direct, through me, or through Paiping? Have not received copy his order

 $\widehat{\boldsymbol{\pi}}$ 

一二次北京港區和海岸縣

-2- #115, December 28, 2 p.m., from Hankow via N. R.

Military situation Yangtze Valley unchanged.
Repeated to Peiping.

JOHNSON

HPD

90-1

## TELEGRAM RECEL

JR
This telegram must be closely paraphrased before being communicated to anyone. (A)

Hankow

FROM.

Dated December 28, 1937

Rec'd 1:55 p.m.

Secretary of State,

Washington.

DEC 29 1937

DEC 29 1937

116, December 28, 9 p.m.

CONFIDENTIAL FOR THE SECRETARY.

DEC 29 1937

PAR EASTERN/AFFAIRS

793.94 note 793.94119

Donald has just given me following information regarding Japanese terms communicated to Generalissimo by German Ambassador Saturday evening December 25. Please treat as strictly confidential. German Ambassador asked to see Generalissimo who was ill and communicated note to Madame Chiang and Kung. He stated that Japanese asked the German Government not to encourage the Chinese to ask for a truce. He said that Berlin had instructed him to present note without comment. Note generally was to the effect that Japan's attitude toward negotiations had now been changed by military developments, that Japanese army being successful it was expected that the Chinese would wish to negotiate for peace. Japan was prepared to enter into negotiations if Chinese would send a representative to ask for same to a place to be designated by the Japanese. It was to be understood that there was to be on

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-2- #116, December 28, 9 p.m., from Hankow,

no cessation of hostilities during negotiations. Note expects following four terms to such negotiations, (A) China shall fully cooperate with Japan and Manchukuo in attacking comintern activities, (B) there shall be special regimes and demilitarized zones wherever necessary, (C) economic cooperation with Japan and Manchukuo (D) indemnities. Donald states arrangements are being made to give note publicity shortly. I understand above consideration given also to British.

JOHNSON

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FROMCOMSOPAT

December 29, 1937

Rec'd 7:50 a.m.

ACTION: OPNAV INFO: SECOND BRIGADE USMC

COMSUBRON FIVE

COMBUBRON FIVE

COLYANGPAT AMENBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

PDIVISION OF FAR EASTERN AFFAIRS
DEC 2/9 1937

0128. South China ports quiet. 2000

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793.94/11867

## **DOCUMENT FILE**

# NOTE

SEE	702.9342/14	FOR#1792		
ROM	Canada	(	Dec.21,1937	94/
<b>'O</b>		•	, <del></del>	1000

REGARDING: Japanese agression. Press interviews given by Dr. Chen Chang Lok, Chinese Consul General at Ottawa on -.

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## DOCUMENT FILE

# NOTE

SEE OSO. OO P. R. TSINGUS	FOR #234 to Km	xa a a y
ROM Tsingtao	Sokobin DATED	Nov. 7, 1937
ro	NAME	11127

REGARDING: Effect of Sino-Japanese conflict on political situation in Tsingtao consular district: report concerning same.

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793.94/11369

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#### B. Relations with Japan

Notwithstanding the complete withdrawal of some 16,000 Japanese civilian residents, men, women and children, from Tsington by the fourth of September, together with the departure of several Japanese men-of-war, the position of Tsington in the present condition of Sino-Japanese relations and the part it would play in the future...

future, occupied naturally no small part of the attention of the municipal administration and of Chinese and foreign observers of the struggle - political, economic, and military - between China and Japan.

Reviewing briefly sino-Japanese affairs in Tsing so from the first week in July, when the Lukouchiao incident occurred, to the first week in vetober, the amazing feature of the conflict is that hostilities and disaster were not visited upon the port of Tsingteo, the possession of which by the Japanese in 1914 was deemed to be so necessary to the maintenance of peace in the Far hast, the port which is the cutlet for a province whose political and economic future Japan sought to control in the Twenty One Demands, and of a province whose future formed the basis for protracted Sino-Japanese negotiations in 1922 and played such an important part in the settlement of pacific questions which directly affected world armsments.

The Japanese Ambassador to China arrived in Tsingtwo en route to Tientsin from Shanghai on July 9 (the Lukouchiae affair occurred the night of July 7). He emphasized in a Japanese newspaper interview the "local settlement and non-aggravation policy" which the Japanese Government stressed as the Lukouchiae affair developed:

"It is highly desirable that this unfortunate affair should be settled on the spot in an amisable manner as quickly as possible."

The Ambassador's observations as revealed by the Japanese

<sup>\*</sup>Teingtee consulate's telegram of July 10, 1937, 10 a. m.

Japanese press in Tsingtoo were of a very calm, restrained nature, but he reflected the universally popular
and much publicized Japanese idea that a thorough-going
solution of Sino-Japanese relations could only be achieved
by the eradication of the anti-Nipponistic mental attitude which they allege is held by the Chinese.\*\*

For reasons best known to the Japanese Government, the Japanese Ambassador remained in Tsingtao until the fourteenth of July, although the Lukouchiao affair was in the mountime developing into a major military action with obviously the most serious political consequences. Yet it appears not altogether unlikely that the Ambassador's presence in Taingtoo had a very salutary effect, for it is understood that the Ambassador and the Mayor of Tsingtao had several interviews characterized by a mutually conciliatory attitude, in an attempt to prevent Tsingtao from becoming drawn into the imbroglio as a result of the clash near Peiping on July 7. The ambassador announced that he "sincerely believed in the ability of the Mayor of Tsingtwo to protect Japanese lives and property in Tsingteo". \* He also indicated that the evacuation of Japanese nationals from Tsingto would depend on future developments. While the Japanese Ambassador's visit had some effect in calming the Japanese residents, the situation in Teingteo, while quiet, was in reality a deligate one for the Chinese authorities, because the Japanese Consul General and the Japanese Resident Military Officer were obsessed with the idea that the Salt

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<sup>\*\*</sup>Tringtho despatch no. Ell of July 10, 1937, file 800, to Embassy, bubject: Jamesse Ambassador's Statement on bino-Jupanese Helations.

<sup>\*</sup>Tsingtao consulate's telegrem of July 14, 12 noon.

stationed no nearer than 20 miles from the center of Tsingteo, constituted a potential threat against Japanese lives and property. These Japanese officials did not maintain the same sang froid as the ambassador. The Revenue Guards were never mentioned by them without a display of vehemence and even slarm. Here before the outbreak of hostilities in North China Japanese official-dom in Tsingteo had shown great concern over the presence of the Revenue Guards near Tsingteo; following the Lukouchiao incident, the Japanese opposition to these Chinese troops dominated Japanese official relations with the Chinese in Tsingteo and their presence played no small part in the final Japanese decision to withdraw.

As the hostilities in North China spread, in spite of the absence of any noticeable Japanese military preparations in the Tsingteo area and in spite of a generally quiet situation, the anxiety of the high Chinese officials increased greatly. The authorities by the middle of July did expect that the Japanese would attempt to land in Tsingtao, and concerned themselves whether to adopt the policy of armed defense or of non-resistance. This the Mayor of Tsingtao possessed entirely inadequate forces to offer successful resistance in and around Tsingtao (an unfortified city), his policy in relation to the Japanese for long had been that Tsingtao would not be calmly and passively surrendered to the Japanese; the

12.00

<sup>\*</sup>See Tsingtao despatches nos. 189 of May 20, 1937; 190 and 191 of May 21; 193 of May 24; 194 of May 27; 185 of May 28 and 197 of June 1, 1937, on subject of Revenue Guards.

the Mayor would not relinquish Tsingtee without a strucgle and if the Japanese took the city, they would not capture this large and prosperous port without resistance. Meyer theless, he realized the difficulties of the situation and sought advice from such men as Dr. W. C. Yen, until recently Chinese Ambassador to Mossow, then on horiday in Telogteo, who counseled against armed resistance. in any event, the Mayor assured the Japanese that he would exert himself for the maintenance of peace and order. The Japanese residents were not altogether reassured as to the future and by the end of July the Japanese Residents Association openly distributed circulars to the Japanese community making public the evacuation measures to be adopted in an emergency. Un the other hand, one Japanese newspaper emphasized there was no danger to Tsingteo, which it declared was "an eternal utopia and the safest spot in China"\* Yet whatever feeling any individual Japanese may have had in regard to the possible immunity of Tsingteo from hostilities, the Japanese community realized or knew that the Japanese Government was determined to take any steps necessary to achieve satisfaction of the situation as it then existed in China, and to that extent there existed no certainty among the Japanese residents at the end of July that Tsingteo or Shantung might escape hostilities. This feeling of great uncertainty existed likewise among the Chinese, who were aroused to a state of feeling approaching hysteria in the first week of August, induced principally by the

<sup>\*</sup>Tsingteo consulate's despatch no 218 of July 27, 1937, file 800, subject: Tsingteo and the Morth China Hostilities.

the Japanese sirplene bombing of Tientsin following the East Station clash. The Mayor, Admiral Shen Hung-lieh, reiterated his policy that "if and when the Japanese attempted to take Tsingto he would not hand over the city without a struggle" and the Japanese would have to be satisfied with the mere shell of a once prosperous port.\*

ness in the fabric of the Chinese social and political system, a movement was nevertheless initiated here the outcome of which if successful could only have been the hastening of the formation of the Five Province Autonomous Covernment in North China. The movement had for its immediate objective the establishment of a Peace Preservation Commission whose duties it would have been to negotiate with the Japanese for a peaceful occupation of the city. The knyor acted at once energetically and forcefully in the matter. The key Chinese politicians were shot, others fled, and the movement collapsed and remained quiescent.

That the Chinese authorities were anxious to avoid the spread of hostilities and to reassure Chinese,

Japanese and foreigners alike was demonstrated in a proclamation wherein "the protection of <u>foreign nationals</u> in Tsingtao" was referred to. Dines 16,000 Japanese were then residing in Tsingtao, compared to a few thousand foreigners of other nationalities, it would appear that the Chinese had the protection of the Japanese

<sup>\*</sup>Tsingtao consulate's despatch no. 220 of august 5, 1937, file 800, subject: Folitical Bituation in Tringtag.

Japanese particularly in mind.

In spite of the proclemation, great alarm continued to prevail, and an exodus of large proportions among the Chinese occurred. This was not altogether unnatural in s of ty where several Jepanese mon-of-war were almost continually stationed, where it was customary to see Japanese armed men on parade from time to time, where 16,000 Japanese resided, and where Japanese commerce and industry dominated the economic life of the port. Yet in the very anxiety of Chinese and Japanese to prevent the spread to Tsingtee of the hostilities in North china lay the germ of the difficult situation which arose between the Chinese mayor of Tsingteo and the local Japanese consul general. hat appeared a fruitless argument arose between these two officials regarding a question of a hypothetical Japanese landing in Isingtee and of the action the Sayor sight take if and when the Japanese attempted to land.\* It is not known to what extent the Japanese consul general acted on his own authority, or whether he did so in compliance with instructions from his government, in posing questions \*\* as to what attitude the Chinese would take as a result of a landing of Japanese forces either in Tsingteo or elsewhere in Chantung. It is understood that international law does not require permission to be sought for a force to be landed for the protection of foreign nationals, and the academic discussions which ensued

end August 9, 3 p. m. and despatch no. 221 of August 10, file 800, subject: Call of American and British Officials on Mayor of Taingles.

<sup>\*\*</sup> see memorandum no. 2 attached to Tsingtoo's despatch no. 221 of august 10, 1957.

ensued seemed all the more surprising in view of the independence of military action which the Japanese had notoriously pursued in China. The Japanese Consul General's insistent questioning may have been because of a genuine alarm caused by the presence of the Salt Revenue Guards, and while some of General Han Fu-chu's troops had been moved to eastern Shantung at the beginning of August, there did not appear any concentration of Chinase troops in such numbers near Taingtao as to necessarily cause great anxiety to the Japanese.

bespite the outbreak of hostilities in changhai, a normal situation was preserved in the city; however, the Japanese rear admiral moved his flagship into the Inner Herbor and berthed his ship alongside Tsingteo's principal wherf. But within a few hours a grave incident occurred when two Japanese sailors were shot (one fatally) by an oriental (s) whose identity has not yet been determined. A situation arose which might have caused, and which many observers of all nationalities expected to give rise to, a clash such as had arisen from the shooting of the Japanese Sailors in Shanghai only a few days previously. Yet surprising as it may still seem, a Sino-Japanese commission of enquiry deliberated calmly and the incident was studied by the Japanese consulate general in a judicious manner and without reference to the deplorable state of Sino-Japanese relations existing elsewhere at the time. If ever an opportunity was presented such as one might expect the Japanese military or chauvinist group to have seized ...

soined upon in Trington, it existed here on August 14. yet for reasons best known to the Japanese Covernment. no attempt was made to force an issue or to expitalize on a situation which would loud to hostilities; no for from foreing an issue, the Japanese began the evasustice of their nationals from the interior of Shantung." The Japanese population in Isington began to feel uneasy after a fee days of fighting is whenghai, although it appeared that the Japanese and Chinese authorities appeared explose to avoid hostilities in this region. Taington became a described tity; seventy five per cont of Chinese and Japanese shops were closed, while thousands of Japanese somen and shildren streamed to the Therres to embark on Japanese vessels bound for Japan. A state of great uneasiness provided among thinese and Japanese, elthough emong the several thousands of Americans and British residents and susmer visitors a generally calm feeling existed. An attempt was made by the american Consulate in Tsingtes to obtain the issuence of statements by the Mayor of Tsingted and the Japanese denoul Coneral which would allay the fear that had seized so many inhabitants; the statements were issued but the effect thereof was problematical, such was the hysteria that had developed. Invadention of Japanese had proseeded too for to cause a reversion to a normal at the tion; on August 19, there departed in 1,746 Japanese on a single ship, "Bithin a few Says " the Jepaness took the extremely drastic step of closing

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Tringted consulate's telegram of August 16, 10 a. m.

closing the nine cotton mills representing an investment of 100 million yen. The Chinese employees had to a large extent left the city; in all probability the wholesale withdrawal of Chinese employees was the principal cause for the closing of the mills, but it must be stated that the 600 Japanese employees (out of a total of 30,000 hands) did not enjoy the thought of remaining in a district which is some distance from the center of Tsingteo and in a section of the city where the mills are fairly isolated. The closing of the mills was characterized by yet another of the incongruities which continually amaze foreign residents in China; with a fieree war raging in Shanghai, with hostilities developing over a large area in North China; yet arrangements were actually made between Japaness mill owners and the local Chinese authorities for the Chinese municipal police paradoxically to guard the closed mills against attack.

while the withdrawal of thousands of Japanese women and children from and through Tsingtao continued, a conflict of opinion appeared to have developed between Japanese officials and leading Japanese residents as to the advisability of an official, complete evacuation. Strenuous efforts were made by representative Japanese civilians to obtain a restoration of normal conditions, but in retrospect their efforts appeared to have been rendered valueless by the official Japanese attitude which developed into one of slarm because of the threat which it was alleged the Revenue Guards constituted to the lives and property of the Japanese community; the

officials feared that the Japanese in Tsingteo would meet the same fate which had befallen their fellow nationals in Tungehow. On august 27, therefore, the official evacuation of Japanese in Tsingteo was ordered, based upon a "desire (of the Japanese Covernment) to avoid any possibility of a clash in Tsingteo."

The official notification to the Chinese authorities of the Japanese decision to withdraw resulted in negotiations with respect to the preservation of Japanese property, valued at several hundred million yen. The Chinese did not lose an opportunity to press their advantage; while the exact terms are unknown, it is understood that the Chinese, in response to a request for the safeguarding of Japanese property, \*\* undertook to afford their protection only so long as the Japanese took no hostile action "In Teingtwo and nearby places".

The apparent anxiety of the Japanese Government for the avoidance of any hostilities whatsoever in this region continued to be reflected in a further decision on august 31 to withdraw the remaining 300 Japanese in key positions in Tsingtae who had been exempt from the official evecuation order issued on august 87, and not only these private Japanese, but the official Japanese - consular, naval and military officers were also withdrawn, so complete was the final Japanese evacuation, effected by the morning of September 4.

In a statement issued by the Japanese consul general in Tsington on the morning of September 2 there appeared

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<sup>\*</sup> Tsingtao's telegram of August 27, 9 a. m.

<sup>\*\*</sup> Taingteo's telegram of August 27, 3 p. m.

the following:

"In no part of China are the rights and interests of the Japanese nationals better protected by the treaties than in Shantung province. Sixteen thousand Japanese in Tsingtao, under the protection of these treaties, and by their indefatigable and painstaking efforts during more than two decades, have firmly established here enormous economic foundations and influences.\*\* The local Japanese authorities and residents have kept the utmost patience to avert the outbreak of untoward incidents.

"The Imperial Japanese Coverment, indeed have decided in order to preserve peace in Shantung by preventing the repetition of any incident similar to that of the fourteenth of August, to offer another sacrifice and have ordered the complete evacuation of the Japanese residents from Tsingteo. This was the measure of the utmost goodwill of Japan towards Chime \*\*\* I sincerely hope and wish that the Chinese authorities on their part too, well understand the intention of the Japanese Government, and protect the Japanese interests and properties left behind in Tsingtao and its vicinity, and never in response ignore or slight the natural claim and desire of the Japanese Government, lest the Japanese Government should lose all their patience."

If the efficient policing of the Japanese property (scaled by posters issued jointly by the Japanese Consulate General and the Tsingtao Municipal Administration) was considered as incongruous, perhaps even more curiously incongruous was the farewell dinner tendered on Deptember 2 by the Mayor of Tsingtao to the Japanese consul general, his staff and the Japanese rear admiral. Yet perhaps in these very incongruities was there observable the real intention on the part of both Chinese and Japanese that Tsingtao must not be a seeme of destruction, death and desolation, but that sooner or later, for better and not for worse, Chinese and Japanese relations on an amicable basis must be restored.

On the Japanese side appeared statements which indicated...

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indicated that the Japanese had no quarrel with the local municipal administration; the Japanese Rear Admiral in a public statement declared that the Japanese miral in a public statement declared that the Japanese military measures were intended as a punitive action against those Chinese possessing the anti-Japanese spirit and against the communists, and not against the Chinese people. "It can accordingly be expected", declared Rear Admiral Shimomura, "that at comparatively quiet places, such as Taingtoo, Sino-Japanese friendly relations will be restored as soon as the anti-Japanese and communist elements are swept out of the Shanghai and Tientsin-peiping areas."

It is not altogether improbable that a factor in the Japanese consideration of complete withdrawal was the fear that the Japanese naval forces (contingents from 4 or 5 small squisers and destroyers) might have to engage for a protracted period in street fighting, an action in which the Japanese had not particularly distinguished itself in Shanghai in the two weeks of fighting; such street fighting in Tsingteo would have resulted in severe lesses to Japanese property belonging to the small merchants who would probably also have suffered greatly in loss of life. The failure of the Japanese to gain a quick victory in Shanghai was doubtless an important factor in the Japanese desision to leave Tsingtee.

un the Chinese side there appeared to exist a

<sup>\*</sup>Tsingteo's telegram of August 29, 11 a. M.

a genuinely cordial and sincere appreciation of Rear admiral Shimomura's part in restraining hostile Japanese elements. The Mayor was particularly friendly toward the Japanese commander and it is not unlikely that the Mayor was influenced in more than one direction, to the mutual advantage of Chinese and Japanese, by this friendly feeling and perhaps even the counsel of the Japanese navel officer.

whatever may have been the real reasons of the momentous Japanese decision to withdraw every Japanese from the whantung Province, to which province the first group of the 21 Demands related, the record stands that hostilities were averted in Tsingted and that part of Shantung which is connected by rail with this port.

There is no evidence that Admiral Shen Bung-lich desired to clash with the Japanese in Tsingtan. A deligate problem was posed before Admiral Sheh by the arrival of some of General Yu Haush-chung's troops outside the boundary of the municipality. General Yu had been ousted from Tientsin by the Japanese in 1935-1936, and the Japanese had good reason not to expect any cordial or even passive attitude on his part. But his presence in Mantung was at least as much a result of the suspicion with which Manking regarded General Han Sueshu as of confidence in the ability of General Yu to resist successfully a Japanese attempt to land in Tsingteo and drive westward along the railway from Taingtwo to Tainan. As early as August 10 the American Consul at Tainan had sommented on General Han's questionable attitude" and it became a matter of goselp that

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<sup>\*</sup>Tsingteo's telegram of August 11, 11 a.m. transmitting Tsinan's of August 10, 5 p. m.

General Yu's troops had been distributed in Shantung so as to be mobilized against General Han should the latter take any measures positively inimical to the Central Government. The Mayor, hard pressed as he was because of the Japanese, still had to maintain an equilibrium in relation to Manking and to General Han, a task made manifoldly more difficult by the appearance of General Yu and his troops on the scene. Not only was the problem of the balance of power a deligate one, but the Mayor, even from the viewpoint of his own political future, had to face the possibility of the encroschment and perhaps actual entry or invasion into Tsingtao of General Yd's troops, and the probable ousting of the present municipal authorities. The Mayor with skill maintained the integrity of his municipal administration, managed to preserve the necessary equilibrium, and kept Tsingtoo free from encroschment by General Yu's troops.

Perhaps stated in this fushion, the difficulties with which the Meyor was confronted, are not so impressive, but perhaps only those on the scene can appreciate that from the beginning of July on a single person's shoulders were placed the responsibility of defense of one of China's great ports, of most important diplomatic negotiations with the Japanese, of the protection of thousands of Sesterners here for the summer, and of the civic administration of a municipality with a population of more than a half million.

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#### Exclusion of Taingtag from Blockade.

It cannot be said that an immediate slackening of the tension followed the complete withdrawal of the Japanese. The Japanese shops were boarded up, and while the evacuation of the Japanese was accomplished in a remarkably smooth manner (but one incident involving the stabbing of a rickshaw puller occurred), the Chimese population did not immediately recover from the great fright which had possessed it. Gradually, however, shops began to reopen, and as the Japanese pushed southward along the Tientsin-Fukow Railway, more and more of those who had first fled to Tsinanfu and to other interior points streamed back to Tsingtao. Shops reopened, rickshaws and motor cars again appeared on the streets, and commerce - the life blood of the Chinese people - flowed again. But it was still a small stream of commerce, for, as amazing as the order for complete Japanese evacuation had been, equally extraordinary was the extension of the Japanese blockede to the entire China coast "except Tsingtee and the leased territories of third powers". For purposes of record it is well to give here the texts of the statements issued in Tokyo on September 5, 1957:

(From Japan Time)

The Navy Office's statement follows:

"Desiring to stabilise the condition in China as early as possible and also as a self-defense measure, the Imperial Mavy closed a portion of the Chinese coast to the navigation of Chinese ships, but has adopted the step of extending the closed coast to prevent the navigation of Chinese ships along the entire coast of Chinese territory, excepting foreign leases territories and Tsingteo. This step is taken with intention of urging China to reflect and to settle the present insident

as early as possible, and contains no intention whatever to interfere with the peaceful trude of third nations as announced before.

Simultaneously with the Nevy's announcement, the Foreign Office issued the following statement:

"The Japanese Government, with a view to speedily settling the present affair and restarting the
stability of the situation, have previously closed
a part of the Central and Bouth China Coast to the
traffic of Chinese vessels. They have now decided
to extend this area and to close to Chinese vessels,
as from noon of September 5, 1937, the rest of the
Chinese coast, namely from 40 degrees north latitude
and 119 degrees 56 minutes east longitude, to 21
degrees 33 minutes north latitude and 108 degrees
3 minutes east longitude, excluding Taington and
the leased territories of third Powers. As this
measure is aclely designed to bring about a prompt
reconsideration on the part of the Chinese Government, the Japanese Government will pay due respect
to the peaceful commerce of third Powers with which
they have no intention of interfering."

In its issue of September 6, 1937, the JAPAN TIMES (Tokyo) published the following item:

REASON EXPLAINED FOR NAVAL ACTION OMITTING TOINGTAD Caimusho Ascribes It To Desire To Maintain Peaceful Relations with City

The Spokesman of the Foreign Office, questioned this morning at his press conference with foreign correspondents why Tsingto was excluded from the Imperial Navy's extension on Sunday of the traffic prohibition of Chinese ships to the whole China coast, said:

"Japan desires to keep up peaceful relations with Tsingtao. Besides, foreign countries concerned expressed their desire to Japan through the consular officials in Tsingtao for prewvention of hostilities spreading to that part of China. Therefore, Japan has decided to exclude Tsingtao from the prohibited area."

. . . . . . . . . . . . . . . . . .

In spite of the exclusion of Taiggteo from the blockeded some, the effect on this port did not appear to be any different from that on the nearby Chinese ports within the blockeded zone, e. g. Haichow, the

terminus ...

the terminus of the Lung-Hai Railway. No steamers flying the Chinese flag entered or left the port of Tsingtao following the declaration of the blockade. while Chinese junks soon found that it was dangerous to leave the port of Tsington (or to enter it). Junks were seized along the shanting coast and destroyed by Japanese men-of-war; in some cases, the masts of the junks were out at the deck level and set adrift with the Chinese crews abourd. Jone Chinese junks proceeding to Helchow from Tsington with a cargo of kerosene and gesoline shipped by a local american oil firm to its liaichow branch were halted by a Japanese man-of-war and saved only because an American consular certificate of nationality of the cargo had been provided; a small amount of the kerosene was taken by the Japanese destroyer without compensation. The exclusion of Tsington from the blockaded some seemed meaningless from the point of view of international law, since Chinese vessels bound to or from this port appear subject to the blockade. The fighting in Sheatung.

Following the expulsion of Chinese forces from Tientsin at the end of July, the question arose as to what military action the Japanese would take along the Tsin-Pu Railway, and particularly how far southward into Shantung Province the action would proceed along that line.

The order for the evacuation of the Japanese in the interior of Shantung it was felt in some quarters presaget...

presaged a drive southwards along that reilway.\*
Slowly and surely the Japanese drove southward until
the border of Sheatung Province was reached by the end
of September. In the meantime the Japanese made no
attempt whatsoever to engage Chinese forces in any
other part of Sheatung Province, other than to drop
bombs at a few places on the Tientsin-Pukow Railway
near the southern (or Kiangsu) border. No Japanese
flights occurred in the Tsingtao region; no landing
of Japanese infantry or artillery was attempted anywhere on the Sheatung coast, no town or port on the
Sheatung coast was subjected to navel bombardment,
and this part of Sheatung remained and has remained
(up to the end of Cotober) free from all hostilities.

Even in September, before the Japanese had approached the Shantung border along the Tain-Pu front there appeared rumors and reports that the Governor of Shantung was confident that Eastern Shantung would be spared hostilities while even that pert of Shantung along the Tain-Fu Railway would not be seriously affected.\*\*

To date the Governor's views have been correct in every detail. In the last week of September a sensation was created by the report that the Japanese had halted their drive in Hopei north of the Shantung border and that General Boihara had flown to Tainanfu to negotiate a separate peace with General Han Fu-chu so as to consummate the Five Province Autonomous Government.

<sup>\*</sup>fringtao telegram of August 16, 10 a. m.
\*\*Tsingteo telegram of September 22, 5 p. m.

dovernment. The report of peace negotiations was promptly denied by the Chinese while the Japanese resumed their merch southwards and on betober 5 occupied Techow, an important city in northern Shantung, about 70 miles north of Tsinanfu. Thereafter mystifying developments took place; the Japanese reached a point on the railway only about 20 miles north of Tsinan; suddenly there was a rapid withdrawal northward to the Hopei border, while numerous rumors made it appear that General Hen's attitude was altogether questionable, and that it did not appear he would engage in serious hostilities, if in any kind at all, with the Japanese. It would appear that General Han had been persuaded, perhaps by influential Chinese advisers, that Shantung and its inhabitants should be spared the suffering and losses which had befallen Shanghai and which had shocked the world. A "Peace Preservation Commission", whose object was to avert warfare in Chantung found support among the most prominent of Chinese - officials and others - in Tsinan; that those who were the promoters of the movement for the preservation of peace did not altogether find disfavor with General Hen may be detected in the reference to the "severe rebuke" which General Han is alleged to have administered the leaders; it might have been expected that elsewhere a few heads would have been lost among those who would have the temerity to make such a proposal for a peace preservation commission.

Such was the suspicion aroused by the sudden

Japanese withdrawal to the northern border of Shantung

and...

and by the attitude and actions of General Han that
the latter and the Mayor of Tsington took great pain
to explain the Shantung situation, not altogether convincingly.\* The last day of Getober saw General Han
still secure in his position at Tsinen, with no apparent
threat from the Japanese, and with a policy which appeared to be based altogether on the question of his personal career in Shantung rather than on the national
relations of China and Japan and the defense of Chinese
territory.

Actually there was a question whether the main Japanese force in the vicinity of Techow at the end of October was really composed of Japanese soldiers or whether they were not a conglomeration of Chinese from Manchuria and Koreans led by Japanese officers. The situation on the Tientsin-Pukew Railway inside Shantung Province just south of the Hopei border seemed confused; it appeared that for the time being the Japanese had for reasons not made public held up their drive on Tsiman, while on the other hand no genuine effort was made by the Governor of Shantung to expel the inveders from the province.

<sup>\*</sup>See Tringtao's despatches nos. 232 and 255 of Getober 22 and 26, file no. 800, on the situation in Shantung.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittm D. Sustain NARS, Date 12-18-75

### **DOCUMENT FILE**

## NOTE

SEE	893.00 P.R.	Shanghai/l	09	FOR	#1075			
FROM	Shanghai		(	Gauss	) DATED	Nov.	8, 193	7
			`	NAME	•		1-1137	420
TO				144147			1-1121	

REGARDING: Relations between China and Japan.

General summary of military situation around Shanghai for month of Oct. 1937.

mr

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#### 1. Occupation

Shanghai continued to smalt with apprehension the outcome of the bitter and sanguinary fighting being carried on in the environs of the city by manualy four hundred thousand Chinose and Japanese treeps.

buring the mouth of Seteber Supeness pressure on the Chinese lines slong the Totlen-Castang front greatly ineresed and was marked by the very extensive and continuses use of artillery and aircraft. Determined attacks were launched exeinst Tachang and Mambalang, and it soom became apparent that the Japanese were attempting to out through to the Changhai-Manking Mailway and to close the neck of the Chapel and Kiangman salients. This operation, though floweely and resolutely contested by the Chinose, me carried through messessfully and compelled the Chinese to shandes both Klanguen and Chapel and to fall back to the south bank of Spochow Greek. During the course of withdrawni Chapei was fixed, and this once densely populated and husy district was reduced to a mass of charred rains. The withdramal from Chapel, while greatly reducing the danger to the control districts of the International Sottlement, brought danger and auxisty to the sonidents of the vectors districts since the Chinese tesk no positions which were separated from those areas only by a thin heitigh defende line.

Joth depends and Chinese applica artivity resulted in the hilling and wounding of memorahetends and the destruction of Chinese and feeelgs property. The depends appeared to energine growter case in the matter of objectives during their medal operations; but such incidents as the medales gaming of British and other fereign offi-

eials notering from Banking to Shanghai, the machine gunming of a group of fereigners horochask riding, and the attack on a British outpost which resulted in the killing of a British soldier produced a distinctly unfavouable reaction.

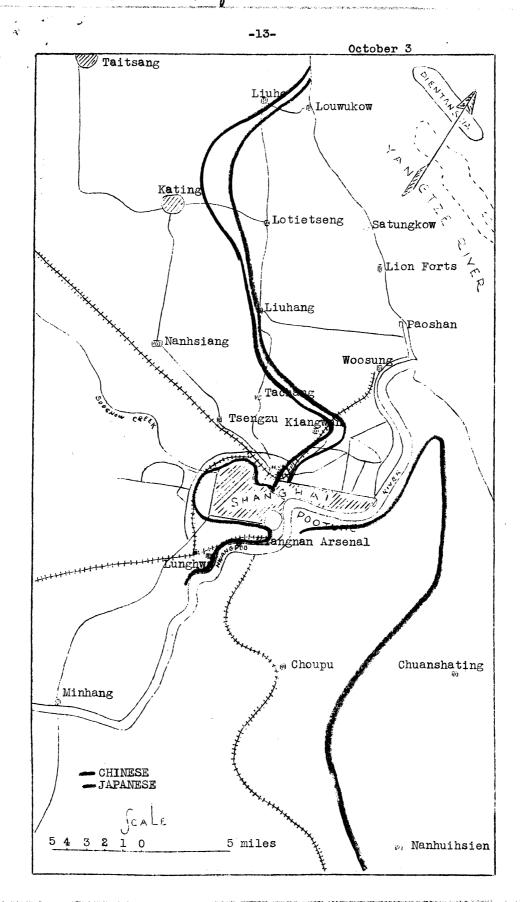
The last-memod incident and others involving the killing and wounding of Sritish troops by possily aimed Japanese missiles mediesably signified relations between the less! Sritish and Japanese authorities and no doubt had their representations in England and Japane.

Chinese sentiment toward the United States vectod from the slightly critical and disappointed attitude which had marked it during September to friendly and pleased matisfaction. She small closel which had sensulat mesual relations was quickly dispelled by the Precident's Chicago speech and by the statement issued by the United States deverment regarding Japan's actions in China. The hope was freely expressed in the Chinese press and by influential governmental, commercial, and educational leaders that the United States would take the lead in collective action to coupel Japan to decist from her present war of aggression.

The Chinese enumnity in Shanghai continued to seppert both negally and unterially the Sevenment's efforts to defend Chinese soil and on more than one consider strongly endessed the deverment's fereign policy and its presentation of Chine's once to the world. The mosal support given may pushage to most aptly decorable as a sementant intellistic acceptance of the mesonalty to reside to the hitter and in view of the improbability of contab-

ance being received from other countries. Interially, the Chinese community made redemately successful effects to absorb a large block of the Government's five hundred million dollar victory loss and also carried on a much publicised campaign to sever economic relations with Japan.

Pinencially, commercially, and industrially (hearing) continued throughout October in a state of auxieus paralyels. The stremmous efforts made by the fereign consular and diplomatic representatives to induce the Japanese authorities to remove the restrictions imposed regarding entry into the Reaghow and Yangtaspoo districts and the removal of valuable cargo and marchandise from those areas not with only moderate success. The continuation of these restrictions in spite of the improvement in the military situation caused much discatisfaction among American and other foreign business men and constituted one of the principal obstacles to the recomption of forsign trade. The opening up of those districts and of the therees, jetties, and geleans and the recomption of industrial activity in those areas would assist unterfally in reviving the commercial and economic life of Shanghai.

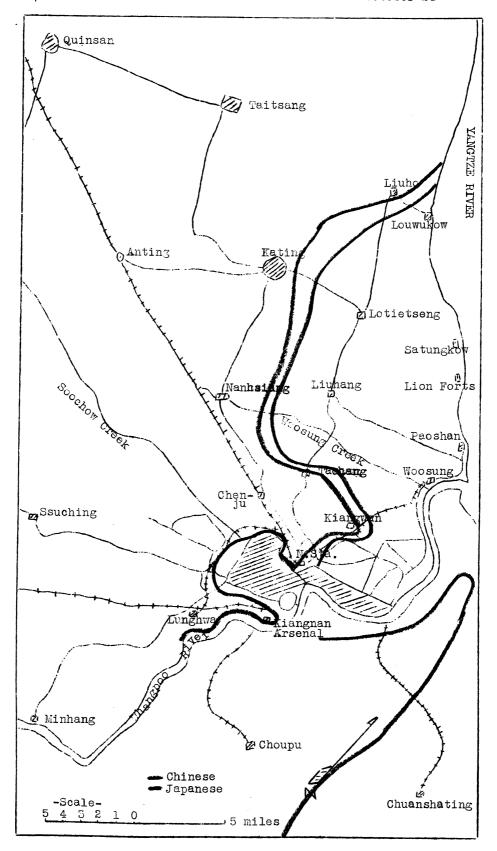


#### -14-

was undertaken with a view to capturing Tachang, which finally fell on October Seth (see map on page 15). (18,16)

The flighting which culminated in the fall of Tachang was the most sanguinary and bitter since the commencement of hostilities and resulted in extremely heavy casualties on both sides. The Chinese fought determinedly and held their ground in many instances in the face of the most intense and concentrated Japanese artillery fire and the virtually unopposed and systematic bombing by Japanese planes. Military observers are of the opinion that the fall of Techang was hastened by the Chinese offensive launched along that sector on October 21st and 28md: as the offensive spent itself the Japanese commenced a smashing counter attack, which for intensity of artillery fire and number of infantry and mechanised units employed had not been equalled in operations around Shanshai. Perhaps the most spectacular phase of this operation was the mass use of Japanese sirplanes. Over eighty bembays and fighters are reported to have operated over the Tashang front and for hours dropped tons of high explosives without intermission.

Pollowing the fall of Tacheng, the Japanese continued their thrust terards the railway and succeeded on October 56th in septering the railway station at Chenju. Coincident with these operations, military and naval units launched an attack against Chinese positions in the Riangwan area. These ensireling attacks forced the Chinese to undertake a general withdrawal from the Riangwan and Chapet districts. This was successfully accomplished during the might of October Soth, the Chinese withdrawing in good erder and without great lease. The Japanese claimed considerable



ment to be a market and the second of the se

siderable war booty; but in view of the rapidity with which the Chinese troops—estimated to number over fifty thousand—withdrew from the Chapei-Kiangsan salient, it is supprising that their losses in both men and manitions were not extremely heavy. (17)

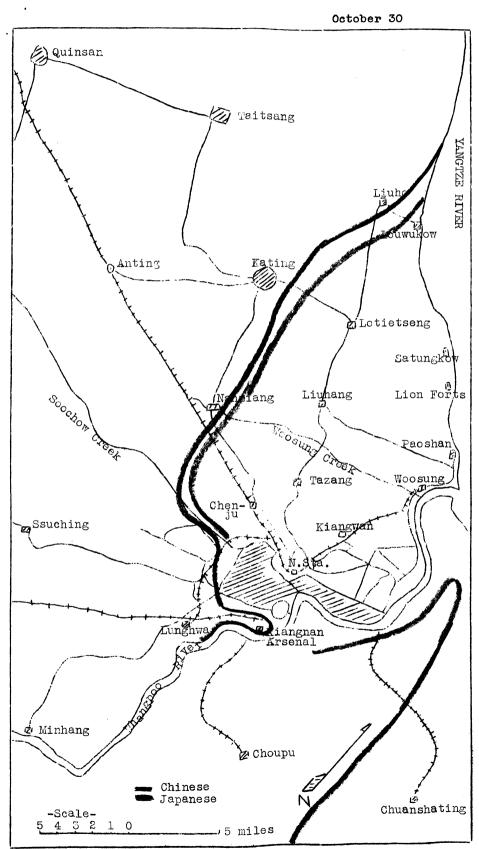
On the morning of October 27th Changhai awake to find Chapei a blazing mass of flame, which was gradually fauned to greater intensity by a steady easterly wind. An immense cloud of macke hung over Chapei and was visible for many miles. The withdrawal from Chapei was attended by the deliberate firing of large sections of that district. It is reported that the retreating Chinese troops had received orders to burn Chapei to cover their retreat, but there appears to be no doubt that the Japanese also set fire to many buildings and warehouses. The destruction of Chapei by fire was to many a tragic and senseless sequel to the spectacular and determined stand made by the Chinese defenders of that district. Portunately, the prevailing wind was away from the Settlement area south of Scoophow Creek and in consequence the Settlement suffered ne damage.

The Chinese withdrew to the south bank of Ecocher Creek and detablished themselves in the western socidential area south of the Creek and beyond the British defense lines, which parallel the Shanghai-Eangahow Railway Line passing through this area. They immediately consensed digging in and erecting defense were in close premisely to the British Lines. Enfances were strongthened along the south bank of the Creek, which was held for a distance of seven miles upstream. At that point the Chinese lines crossed the Creek and run directly morth to connect with their lines in the vicinity of Manhaiang, which remained in Chinese hands although the Japanese had advanced to within a mile of the village. (See map on page 18.)

The Aspanese failed to follow up the retreating Chimese and attempt a creezing of Socchow Creek immediately but contented themselves with consolidating their positions and mepping up in Chapel, where they discovered a unit of the SSth Division numbering approximately four hundred men making a stand in a modern concrete wavehouse. (18) Immediate attempts to dislodge this battalion were unsuccessful, and Shanghai matched with much sympathetic interest the determined but hopeless fight which ended on the night of October Sist after the Japanese had brought up artillery and fixed point-blank at the building. Over three hundred of the defenders slipped from the building and into the British lines, which were not more than twenty-five yards distant; they were disarmed and have been intermed in the Settlement.

During the night of Ostober 20th and throughout the 31st, the Japanese, who had brought their artillery into position north of Sooshew Creek, laid down a heavy barrage ever Chimese positions while Japanese tanks fixed point-blank into the Chimese lines along the Creek. Under ever of this heavy five and the operations of their bending planes, Japanese troops succeeded in effecting a exceeding at a point approximately four miles west of Jecsfield railway station.

With the withdrawal from Chapel, Shanghal hoped that heatilities would be removed from the immediate visinity of the city. This did not prove to be the case, becover, for it quickly become apparent that the Chinese were continuing to aling to the Settlement and that the efforts



of the Japanese to disingly them from their new positions in the foreign residential area beyond the British lines would endanger both the British defence forces and foreign and Chinese memorabatante residing within the British lines. The reality of this dengar was almost immediately demonstrated by the bursting of peoply aimed Japanese shells, which killed and wounded several British soldiers guarding their sector and a number of Chinese; shells also fell in close proximity to foreign residences.

As the month closed it was not possible to forequest whether the Chinese intended to make a stubborn and determined stand south of Secondar Creek in the vicinity of the Settlement or whether their operations were designed morely to delay the Japanese advance while their main forces withdrew to prepared positions further away from Shanghai.

He important military operations were undertaken with Pootung as the objective. The Chinese continued to minimize approximately two divisions on the peninsula with two or three betteries of artillary and numerous machine gum poets. These fixed on depender mavel vessels and depender positions from time to time and were invertably assumed by thunderous solves from depender against vessels and possistent bending by depender planes. It was thought on several occasions that the depender would undertake military operations against Chinese positions in Pootung, but they failed to do see

**Leberal** 

Accided Committees - Impenses serial setivities continued unabated throughout the menth. Hundreds of military and naval planes took part in daily bombing operations not only in the immediate vicinity of Changhai but over wide areas in the provinces of Kiangsu, Anhusi, and Chekiang. Builuays, highways, unterways, and all traffic on lines of ecommisation continued to be treated as "military objectives"; motor vehicles were not excepted from such attack.

Cheervers noted that the Japanese displayed greater care in the matter of objectives during these operations and that the indiscriminate bombing which so horrified the world and which characterized bombing operations during the previous month had apparently given may to a more legitimate use of sireraft. Sowever, there were a master of important and tragic emertions to the greater restraint generally shows. These included the bumbing and machine gumning of a number of trains stated to have been carrying passengers and refugees; the machine gumning of motor care in which the Assistant Spitish Air Attaché, a Secretary of the Soviet Hillitary Attaché, and an Italian officer were traveling; the mechine geneing of a member of fereigners, including Americans, who were riding near a British outpost which was also attached; and beabing epowations at the town of Punghions, resulting in many civilian casealties and the destruction of some American mission prop-

Chinese planes were also notive but continued to confine their visitations to night raids on the Respire and Yangtaepeo districts and to attacks on diplanese motel toncels, military positions, and supply depote. These milds coased, however, following the Chinese withdrawnl from Chapei and Kiangman but may possibly be removed.

Poreign military observers are increasingly impressed with the relatively unimportant results achieved by both Japanese and Chinese bombing planes except when they can be used without opposition and in mass formation against their objectives. The Japanese, due to their complete mastery of the air in the Changhai area, were able during the englaught on Tachang to make effective use of their sireraft; but their efforts, first, to break down the morals of the Chinese people by serial ruthlessness and, secondly, to destroy Chinese lines of communication effectively have met with little success. The military results of Chinese serial sperations ever Shanghai during Setober were equally unimpressive. Chinese planes are believed to have done some slight damage on one or two occasions to the Japanese simfield near the University of Shanshai and to military supply depote, but the principal damage was to Chinese and fereign property in that area.

Shahmank Issued by Commander in Chief of Augmente Military Person in the Shanghai Area. Although it had been anticipated that General Zeeme Materal, Communder in Chief of the Japanese Expeditionary Forces to Shanghai, would issue a statement shortly after his arrival on August 23rd, it was not until October 5th that he finally issued a preclamation entlining the objectives of the empeditionary force. These objectives as given by General Materi were: (1) to protect the vectod interests of Japan and the lives and property of Japanese recidents and (2) to "accurage the Chimese Gevernment and anny who have been pursuing anti-ferrign and anti-Japanese palisies

in collaboration with Communist influences". He added, however, that the Japanese Army had no emmity against the Chinese people in general. Demoral Natural stressed the desire of the Japanese Army "to respect and protect the lives and property of nationals of third powers" and concluded, "I am confident that the day is not so far off when the light of peace will shime again", (19)

General Matsui's proclamation was received with frigid silence by the Chinese press.

The adoption by the League of Estions of the two reports of the Advisory Countities regarding the Sine-Japanese conflict as well as the Countities's resolution expressing moral support for China was most gratifying to the Chinese in Shanghal, who felt that China's case had been given definite moral support by an intermationally resourced body. The League's action was given wide publicity through the medium of the proces, the sadio, and various Chinese expenientions; but the note of hopeful expectancy which characterized much of this publicity was tempered in many instances by a warming not to expect too much.

# NOTE

OM Tientsin	( Caldwell ) D	ATED Nov. 9, 1937
•	NAME	1—1127

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton 0. Susteem NARS, Date 12-18-75

- B. Relations with Other Countries.
- 1. <u>Militery Activities</u>. The Japanese military forces continued to push the Chinese back on all fronts in North China, with the exception of the Tainpu

Tsinpu railway sector, where the position remained somewhat anomalous, with the Japanese and Chinese facing each other just inside the Shantung border north of the Yellow River. The reasons for the failure of the Japanese to advance further on the Tsinpu railway were not clear, but were probably both political and military. The Japanese very clearly do not desire to carry the war into Shantung if such action can be avoided, for the reason that they have very large investments there, particularly in Tsingtao. which would be endangered if Sino-Japanese hostilities were extended to that province. Floods, which have covered the whole country between Tientsin and the Yellow River and extend in some places as far into the interior as the Pinghan railway, have also made it practically impossible to carry on large scale military The Tsinpu railway has also operations in this area. been damaged by both floods and the Chinese troops between Tientsin and the Yellow River to an extent which apparently renders it practically useless for Japanese military transportation, which has forced the Japanese to resort to the Grand Canal and other waterways for transportation. Many conflicting reports of Japanese or Chinese military successes in North Shantung were circulated in Tientsin, but the net result apparently was a stalemate with the Japanese in possession of Tehchow, and the Chinese unable to drive them back northward.

Along the Pinghan railway, where the main body of the Japanese troops in North China was operating during the the month, the Japanese were more successful. The Japanese captured Shihkiachuang, the junction point of the Pinghan and Chengtai railways, on october 11, and advanced quickly along the Pinghan railway to the vicinity of Changte, Honan, where they either halted of their own accord or were held up by the Chinese.

Apparently the main body of the Japanese troops operating in this sector advanced westward along the Chengtai railways towards Taiyuanfu. The Chinese in this area, assisted by the mountainous terrain, put up a fairly effective resistance and by the end of the month the Japanese had advanced only a little more than 100 kilometers to a point between Yangchuan and Shouyang, Shansi. This advance, however, had taken them through the more difficult passes of the mountain range separating the Shansi plain from Hopei, and it was expected that from this point they would advance more rapidly at least as far as Taiyuan.

The Japanese Army operating in Northern Shansi apparently made no progress during the month, the Chinese holding them north of Hainhaien.

In Suiyuan, the Japanese captured Kucihua on October 14 and Paotou on October 17, apparently meeting with very little resistance from the Chinese. On the Japanese side, the forces operating in Suiyuan were reported to be made up of Japanese, "Manchukuo" and Mongolian units. Reliable information regarding the Chinese forces was not readily available in Tientsin, but it was generally understood here that the Central Covernment division and practically all of

the

the Shansi troops which were formerly stationed in that province were withdrawn to northern Shansi prior to the Japanese advance, and that the Japanese were opposed only by small numbers of cavalry under the command of General Ma Chan-shan (長子山).

Japanese reports throughout the month as usual featured the brilliant victories of small numbers of Japanese troops over tremendous numbers of Chinese, but, with the exception of North Shansi, where the Japanese were unable to advance against the Chinese and along the Chengtai railway, where it is understood the Japanese were opposed mainly by Shansi provincial troops, who are notoriously unreliable, it is not believed that in actual engagements the Chinese troops greatly outnombered the Japanese.

It seems reasonable to ascribe Japanese military successes in North China mainly to their superiority in artillery, aviation and leadership and not to any innate superiority of the Japanese soldier.

Accurate figures regarding casualties were not available but the Japanese are known to have sent out about 5,000 casualties by hospital ship from Chinwangteo, which it is presumed were only a small percentage of the total number of Japanese killed and wounded in North China during the month.

No information is available regarding prisoners taken by either side, which might seem to indicate that no quarter is given, but this does not necessarily follow since the hostilities in North China have not featured actions in which large bodies of troops were out off and surrounded or otherwise put in a position in which they would naturally be expected to surrender.

Japanese aviation completely dominated the situation in North China during the month, the only activity on the part of the Chinese air force reported being the dropping of a few bombs at Taku and Tangku by five Chinese airplanes on October 12, and Japanese reports of an occasional Chinese airplane seen in Shansi.

The main Japanese base for the landing of military supplies was reported to have been shifted from Tangku to Chinwangtao about the middle of October. Subsequent reports were received of large numbers of Japanese supply ships unloading at Chinwangtao and an accumulation of very large quantities of military supplies there. This shift is believed to have been necessitated mainly by the heavy silting of the bar outside Tangku which resulted in a reduction of water depth to a maximum of about twelve feet. The Japanese continued to land very large quantities of military supplies in the 3rd Special Area at Tientsin from light draft vessels.

2. Political Activities. The Japanese continued their efforts to consolidate and strengthen the civil governments of Tientsin and Peiping through Chinese officials supervised and assisted by the Japanese, and extended the system of Peace Maintenance Committees to the districts in the province which they had occupied. The Peace Maintenance Committees of Tientsin and Peiping are made up mainly of elderly ex-officials of the early Republican days, but effective control is apparently exercised by the Japanese through the chiefs of police,

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# DOCUMENT FILE NOTE

SEE	893.00 P.	R.	Chefoo/127	FOR	Despa tch	#32		
FROM	Chefo	ю		( Allen )	DATEDNOT.	19,		***************************************
το				NAME			1-1127	eP0

REGARDING: Sino-Japanese hostilities: Report on-, for month of October, 1937.

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193.

#### 1. Japan

Japanese non-of-war lying off thefus continued the blockeds against thinese shipping. Connerce between thefus and Dairen was maintained by occasional fureign-flag sailings and by several trips of the S.S. HUULES, a Chinese-flag vessel which furestly made regular trips between the two ports. Chinese imaigrants to Hemeburia and the Leased Territory continued to return to Pactoo in large numbers from Dairen, Antung and Korean ports.

Chinese passengers from Chefoo to Tientsin, Dairen and Antung were required to satisfy the local police as to the necessity of the travel, and in some cases were not allowed to depart until they had provided business guarantors.

Mails to Chefoo via Siberia were delivered through Deiren only after long delay.

Japanese aircraft made frequent flights over Obefoo and a Japanese destroyer steemed through the harbor without stopping on the afternoon of October 25.

# DOCUMENT FILE

# NOTE

SEE	893.00 P.	. R. Amoy/122	FOR	#140	
FROM .	Amoy		(Altaffer)	DATED Nov. 20, 1937	793
то			NAME	1—1127 •ro	.94/1
REGAR	in	ct of Sino-Japan Amoy consular di patch #103 to En	strict: report	political situation on same. (Copy of	1873

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F/NR 793.59 /m

### B. Relations with other countries.

### 1. Japan

# (a) Registration of citizens in Amoy

At the time of the evacuation of Japanese subjects from Amoy and the closing of the Japanese Consulate, it was known that some 3,000 Formosans were left in this district, many of them remaining in Amoy and Kulangsu. In order to sift and investigate

vestigate elements in the population sympathetic to Japan, all citizens in Amoy were required to register their names with the Police Bureau and obtain identification cortificates. The Amoy cutherities announced that facilities were effored to reputable ami respectable Formosans to obtain Chinese naturalization.

#### (b) Registration in Eulangeu.

Since the Amoy sutherities often declared that the International Settlement of Kulangsu was a refuge for Japanese spies, more especially Formosane, the Consular Body and the Municipal Council has ecoperated with the Amoy authorities to the extent of registering Chinese citizens in Kulangsu with the Mixed Court, and Formosans with Kulangsu Municipal Council. This measure was taken with a view to locating and having on record the names of all Formosans in the Settlement. Other unrepresented people are registered with the Municipal Council, and all represented foreignors with their respective Consulates.

The Amoy Carrison Commander conducts periodic raids to round up bad characters, and especially with a view to apprehending Japanese sympathisors and spice.

(e) Japanese Commention of Cuemer Island

The Japanese left Amoy and vicinity in comparative peace from September 14th to October 25th. On the latter date, while beats from Japanese mayal

navel vessels were making soundings of the protested water between Little Quemoy and Big Quemoy
Islands, they attempted to seize a Chinese steam
launch (known locally as "Chicken boats"), they
were fired on by the Chinese militie on Big Quemoy
Island, and it was reported that one Japanese
sailor was killed. On the following morning
Japanese navel vessels shelled points on Big
Quemoy after which a force of marines with machine
guns landed and occupied the island. It was
reported that the small force of Chinese militia
fled without resistance, and about 100 of them
escaped to Amoy, where a confused account of the
attack was given.

Many conflicting rumors have reached Amoy concerning the activities of the Japanese on Quemoy since its occupation, but local reports indicate that a landing field for air planes has been built, and that the occupying force, variously estimated at from 200 to 800, is composed of Romins from Formose and Koren with Japanese officers.

It appears that the Japanese will use the water between Big Quemoy and Little Quemoy as an anchorage, and the islami as a base for fresh water and other supplies. A local newspaper reports that the Japanese occupying force is digging tranches and creating defences and otherwise giving every evidence that it intends to hold Quemoy Island. The paper also states that the President of the Chamber of

Commerce

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Commerce there has been compelled to act as the Chief of a Peace Maintenance Society and that the Japanese are circulating Japanese and Manchurian currency notes. A local news report also states that some 30,000, out of a total population of 45,000 people have left quemoy since the occupation by the Japanese. It is reported that these people have taken refuge on Amoy and other near by islands and in towns on the main land. This report continues, it is estimated, that about 15,000 Chinese refugees have fled from Amoy and quemoy, increasing rentals in the Settlement as much as 50%.

# (d) Japanese planes unusually active around Amoy from October 27th.

On Cetober 27th a Japanese bombing plane dropped bombs around Hu-li-skan fort and the Quarantine Hospital near the Pan Shih fort, without damage other than the killing of one woman picking up firewood. On October 30th planes flew over Amoy to Changehow where it was reported that planes twice bombed "Pholam" bridge. This bridge was also bombed on the following day. A local news report stated that three bombs were dropped at Five Li bridge, two of which killed three civilians and slightly damaged the bridge.

The bombing of these bridges and points around Amoy appears to be part of Japanese policy to keep Chinese troops idly concentrated in this vicinity, and possibly with a view to improving the aim of their bombers.

(e) Reported arrival of 10,000 troops in Fukies.
On October Sist a local news report stated that 10,000 additional troops had been sent to South Fukies by General Yu Han Mou after the occupation of Quemoy by the Japanese. It was also reported that about 1,000 men were moved at night from the main land to Amoy Island.

# DOCUMENT FILE NOTE

FROM Japan ( Grew ) DATED December 6, 1937.

TO NAME 1-1127 \*\*\*

REGARDING: Sino-Japanese conflict.

Report of penetrations of the Japanese Army.

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793.94/11874

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#### II. RELATIONS WITH OTHER COUNTRIES.

#### (a) China.

The Japanese Army forces in China were not particularly active on the Peiping-Hankow Railway, Tientsin-Pukow Railway, and Shansi-Suiyuan fronts, but they made a rapid advance against the Chinese forces which had been driven out of the Shanghai area and were attempting to defend various strategic positions between Shanghai and Nanking. According to announcements issued by the Japanese Army, the following places were taken in the course of the month's hostilities: Sungkiang on November 9; on November 13, Kiating, the point at which the Japanese forces suspended operations in March 1932; Soochow on November 20: Huchow, immediately south of Lake Taihu, on November 24; Kiangyin Fortress on November 29; and Kwangteh, just west of the Kiangsu-Anhwei border, on November 30. In other words, by the end of the month the Japanese forces had driven the Chinese away from the lake district and had advanced to points close to Nanking. On November 20 the Chinese Government announced officially that Nanking had been abandoned and that the capital would be removed to Chungking.

Having penetrated the Honan border on the Peiping-Hankow
Railway line in October, the Japanese forces apparently made no
serious effort to advance into the interior of that Province. In
fact, the Japanese were compelled to retrace their steps northward
on the railway in order to recapture positions in southern Hopei
that had been taken by the Chinese. However, after the successful
conclusion of these maneuvers, the Japanese forces turned their
attacks to the east, taking Pinghsiang, Weihsien, and intermediate
points, crossing the Hopei-Shantung border into Shantung Province,
and capturing Lintsing on November 21. It was asserted that the
Taranese air forces had, by the end of the month, gained complete
control of the air on the Lunghai Railway between Loyang and Sian.

On the Tientsin-Pukow Railway front the Japanese claimed on November 17 to have secured complete control of Shantung Province north of the Yellow River.

Taiyuan, the capital of Shansi Province, was taken by the Japanese on November 6 and for the remainder of the month little military activity appears to have taken place in that Province. There was little action in the Province of Suiyuan.

It became patent from military activities during the month and from public statements issued by Japanese officials that the Japanese planned to capture Nanking, but there was no definite indication as to how far they would pursue their military campaign against the retiring Chinese forces. In an interview with newspaper correspondents on November 25 General Matsui, Commander of the Japanese Army forces in the Shanghai-Nanking area, declared that his Army would continue fighting until General Chicag Kai-shek surrendered and that this course would be pursued in conformity with the spirit of the Imperial Rescript granted recently. He added that he could not predict where the present campaign would end but that it might extend to Hankow or to Chungking or even farther west. Domei attributed to General Matsui the statement that Japan would not attempt "economic advances" in the occupied zones and that talk of such economic advances was likely to invite denunciation by third parties or by China of Japan as an aggressor. On November 26 Premier Konoye intimated to newspaper correspondents that the Japanese military forces might "eventually be forced" to advonce as far as Hankow and reiterated that the fundamental objective of Japan's expeditionary forces in China was to persuade the National Government of China to relinquish its anti-Japanese policy. Air

Air raids by the Japanese continued throughout China. After a respite of several weeks, on November 24 Japanese simplenes bombed various points in Kwangtung Province, including the Bocca Tigris Fort and Canton.

General Sugiyama, the War Minister, submitted a report to the Cabinet on November 19 in which he estimated the Chinese casualties on the Shanghai front since the beginning of the general offensive on October 23 at 300,000, of which 80,000 were said to have been left dead on the field. It was announced by the Nar Ministry on November 20 that since the beginning of hostilities on July 7 on all fronts in China, excepting the Shansi front (for which figures were not available), 16,048 Japanese had been killed, that the total Chinese casualties were 554,290, that 145,470 Chinese dead had been found on battlefields by the Japanese, and that 9,300 Chinese prisoners had been taken.

It could not be determined during the month under review whether Japan would declare war on China in the near future. In an interview with Japanese press representatives on November 26 the Premier stated that the Government had been studying the question of declaring war on China but had reached no conclusion and that for the time being no action would be taken.\* At the close of the month the Embassy heard from other sources that a declaration of wer was imminent.\*\* It appeared that the determining factor in the possibility of a declaration of war would be whether supplies of arms and munitions to China continued in substantial quantities. \*\*\*

Japan's ideas concerning terms of a possible peace settlement remained nebulous. General Matsui was reported to favor a settle-

<sup>\*</sup> Embassy's telegram No. 571, November 27, 1937.

\*\* Embassy's telegram No. 580, November 30, 1937.

\*\*\* Embassy's telegram No. 561, November 23, 1937.

ment on the following lines: Chinese recognition of "Manchukuo"; establishment of autonomous anti-communist régimes in North China and Inner Mongolia; appointment of a Japanese as Inspector General of China's Maritime Customs; adherence to an anti-Comintern pact by General Chiang Kai-shek; prohibition of the use by China of military aircraft; disarmament of the Chinese Army with the exception of a comparatively small number of Peace Preservation troops needed for the maintenance of internal order; and establishment of Japanese Concessions in the principal Chinese ports, including Shanghai, Foochow, Amoy, and Hangchow, as well as permanent occupation of all the islands along the China Coast now held by the Japanese forces. According to this rumor, General Matsui informed Admiral Sir Charles Little, Commander of the British naval forces in China waters, of "his peace conditions". However, the spokesman of the Japanese Foreign Office denied knowledge of the report and added that in his opinion it was quite unlikely that General Matsui had made such an approach to Admiral Sir Charles Little without having consulted the authorities concerned in Tokyo. In his newspaper interview of November 26 Premier Konoye stated that Japan did not insist that it could not negotiate for peace because either Chieng Kai-shek or the Nationalist Party was in power but that if the Chinese Government pinned its hope on a war of endurance, Japan was prepared for that.\*

According to a Domei despatch from Kalgan dated November 22, the Federated Autonomous Government of Inner Mongolia, the Autonomous Government of Southern Chahar, and the Autonomous Government of Northern Suiyuan signed a charter in Kalgan during November for a Federated Committee to unite the people of the Chinese and Mongolian races living in these areas. A so-called autonomous régime

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<sup>\*</sup> Embassy's telegram No. 571, November 27, 1937.

for Honan Province was reportedly founded at Anyang on November 27 on the principles of opposition to the Nanking Government and eradication of communism.

Complications arose over Japan's position vis-à-vis the International Settlement in Shanghai after the withdrawal of Chinese troops from the city. In an interview with press correspondents on November 11, General Matsui intimated that circumstences were possible in which the Japanese forces at Shanghai might consider it necessary to take over from the garrisons of other Powers the sectors of the International Settlement and also the French Concession. Subsequently, the Japanese authorities at Shanghai indicated that on December 1 Japanese troops would be sent to occupy Japanese property inside sectors assigned to American and Italian military contingents and that Japanese troops would be transported through the International Settlement to Nantao and other points beyond.

Furthermore, the Japanese authorities threatened to exercise virtual control over the Chinese customs administration in Shanghai. In this connection, the spokesman of the Japanese Foreign Office told foreign press correspondents on November 24 that the Japanese people thought it quite "natural" to control any Chinese organs in the International Settlement that might, because of their close connection with the Chinese military forces, be used against Japan, and that under such circumstances General Matsui would request control of the Chinese customs and other agencies. On November 29 the spokesman stated that China's foreign obligations guaranteed on revenues from the Chinese Maritime Customs would be respected by Japan. The representations made by the American, British, and French Governments on the Shanghai customs issue are dealt with in other parts of the present report.

# **DOCUMENT FILE**

# NOTE

SEE	124.93/419	FOR	Tel.#106 9am	3.94/
FROM TO	China (Hankow)	(Johnson)	DATED	71 1875

REGARDING:

Military situation in Nanking and comphiance with request of the Japanese that American Embassy defer return of officers to the Embassy, commented upon; believes the Embassy should be reoccupied.

JS

Gray

HANKOW Via N R

Dated December 27, 1937

Rec'd 12:05 a.m.

Secretary of State,

Washington, D.C.

106, December 27, 9 a.m.

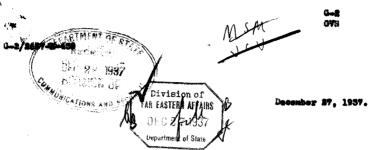
Shanghai's 1231, December 26, 6 p.m.

To comply with Japanese request at this time would be interpreted as assent to military's right to interfere with our access to our property and archives in Nanking. OAHU'S voyage can be timed to arrive Nanking January 1st. In view of assurances given by Japanese Government in connection with PANAY incident I hope Department will inform Tokyo of return of Embassy officers and our expectation that they will not be prevented from reoccupying Embassy buildings Nanking.

Sent to the Department. Repeated to Shanghai.

JOHNSON

JS



MEMORATICUE FOR THE CRIEF OF STAFF!

Subject: Far Nastern Situation.

193.90

- 1. Herewith are Summary and Situation Map covering events in China for the period December 18 27.
- 2. The outstanding developments for this period
  - a. Closing of the Panay Incident.
  - b. Destruction of valuable Japanese properties in Shantung and impending Japanese retribution.
  - e. Reported decision of Japanese Government to paint policy of expension to the south rather than to the north.
  - 4. Imminent reorganization of the Chinese Central Severament with a decided swing to the left.
    - e. Capture of Bangohow.

N. R. W. McCAME, Colonel, Cameral Staff, Assistant Chief of Staff, G-S.

F/rG //876

0-2/2657-11-439

CONFIDENTIAL

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.6.O. 114.2, Sec 11 Shipsman NAR Date May 19

December 19-27, 1937

DCD Dir. 5200.9, Sept 27, 1958 6-2 SUMMART OF INFORMATION W. Neil Translin 1-21-65

Take Take

PANAY INCIDENT

The Japanese Government's reply to the United States Panay Note was delivered to the American Ambassador on December Sith. The Japanese reply pointed out that two days after the incident Japan had expressed its sincere regrets and had offered indemnities; that a complete investigation had fully established that the Panay attack "me entirely unintentional;" that despite the fact that the attack me "due to a mistake, the Japanese Government had desiplined these responsible, to a mistake, the depances overment has disciplined those responsible citing action against the Commander of the maval flying force at Shanghai, floot staff members and the Commander of the navel flying equadron directly involved; that the <u>Japanese Navy</u> had issued strict orders to exercise caution during attacks in areas where vessels of third powers were present, even to the extent of excrificing strategic advantages. The note failed to make any mention of army participation in the incident.

On December 23d, prior to the issue of the above note, the Vice Minister of the Japanese Mavy, accompanied by Maval and Military Officers, called at our Tokyo Embassy for the purpose of proving that the attacks on American ships and personnel on December 12th were mistakes and unintentional. The Vice Einister stated that the army had participated in the attacks entirely as a result of the original mistake by the may and therefore the many accepted all blame and desired to make complete amends. The evidence presented at this three hour meeting, according to the repert, while not differing greatly factually from United States reperts of the original attack, failed to prove whether the Pamay bombing was done with deliberate intent, or was the result of negligence. (Note: It is possible that the conference brought out statements from the Japanese that were not admitted elsewhere. Full report of these discussions will be available later by mail.)

In a note dated December 25, the United States Government accepted as "responsive" the Jepamese note of December 2h but disagreed with the conclusions reached in that note to the effect that the attacks were unintentional. The note stated that the United States Govern accepted the facts and circumstances of the Panny sinking as stated in the finding of the Mavel Court of Inquiry, a copy of which was furnished the Japanese Government.

It is reported that Tekye hailed the receipt of the U.S. note of December 25 with unmistakable relief and pleasure. Fersign Minister Hirota is stated to have said in great joy that the note was the best Christmas present that the United States could have given Japan.

Except for the adjudication of indomnities, the Panay insident

may now be regarded as cleased. The protests of the United States Government were confined emclusively to the attacks of December 12. It remains for time to show whether the policies of the Japanese military forces which permitted the incident to arise have been changed sufficiently to prevent a recurrence. [A careful study of the Japanese warning note issued at Shanghai on December 9; the bumbing, artillery and machine gun attacks on both British and American chips at Muhm and Hanking and in between during December 11 and 12th; a second warning issued by a Japanese spekesman at Shanghai on December 14; the attitude of the Japanese military at Shanghai, in persistently refusing casy access to forcign owned property in areas under Japanese control; the statement by a Japanese naval efficer to Admirel Helt at Hanking on December 20, that the passages through the Yangtse River barriers had been made solely for Japanese vessels; the letter to the Commander in Chief from Admirel Hasegams, dated December 21, in which he states that the Yangtse River is not open for free mavigation; all lead to the conclusions that Japanese policies are oriented to drive foreign influence out of the Yangtse Velley and that the Panay incident was merely an extension of those policies. In their handling of the American reaction to the Panay incident Japanese also succeedfully separated American and British action on the attacks and are new making further efforts to widen the cleavage by hinting of secret guarantees to the United States as evidenced in an A.P. dispatch from Tekye, dated December 26.

A significant editorial in the Takye No No Nin Shinbum on December 21, demanded that the veil of secrety regarding the Fanay incident be lifted and that the Japanese public be acquainted with the facts. The editorial further stated that if secrety regarding the Fanay and other insidents continues, the Government may be suspected of either trying to do a task too great for it or that it is making a mess of things, and that the present secrety does not tend to held the confidence of the Japanese people. These are strong statements for a Japanese paper to use during a orisis.

A recent dispatch by Hallet Abond in the New York Times stated that the Japanese high economical at Shanghai was powerless to discipline Colonel Hashimste. Colonel Hashimste was reported to be in command of the units at Wuhn and along the Yangtee who shelled the British gum boats and machine gummed the Panny. The information contained in this dispatch was sent direct to Abond by General Mateui by special plane from Hanking. General Mateui requested that the information be published in the United States so that it would reach Japan, as no Japanese paper would dare to print the dispatch.

Two Chinese mess attendants from the Panay, new at Hankow

state that the Japanese troops who bearded the Punny just before she sank, exploded two bombs at her stern which finished the Punny. The mees beys claimed they were hidden in the reads at the unter's edge and that except for one comercian, all Americans had neved further inland to avoid further easualties. These men also claim the Japanese boats swept their hiding place with machine-gum fire.

#### GENERAL

Press reports from Tokyo dated December 26 state that as a result of important conferences between the Imperial 6.H.Q. and the Cabinet, the Japanese Government has decided to extend operations to the south regardless of any international complications that may arise. These conferences had caused much speculation, and the announced decision at this time is interesting. It is reported that high Japanese circles had been at loggerheads as to whether Japan should pursue a policy looking north to Siberia as the next objective or to the sauth. Pressure from Admiral Medumasa Sustaugu, former Supreme War Councilor, who recently entered the Cabinet as House Minister, is reported to have influenced the decision to swing south. Operations are expected to be primarily naval. There appears to be no intention to blocked Hongking. The reported objective is to stop further war supplies entering China and this can be effectively consummated by controlling Canton.

The above sources also state that there is no immediate likelihood of a declaration of war against China, unless England and the United States insisted on definite guarantees against a recurrence of the Fanay incident and the bombing of British warships. In case such guarantees were demanded, Japan might declare war to legalise the hestilities and as a warning to foreigners of the dangers of being in a some of military operations.

Admiral Suctougu is reported by French press to have stated in an interview that in his opinion the eccupation of Baiman Island would become necessary if Chima coast blockade should become intensified.

It is difficult to predict future Japanese military action at this time. Many reliable sources centime to predict action against Siberia in the spring. Other equally authentic sources state that the Japanese intend to control all of China east of the 110th meridian and to enforce this central by occupation of the Chinese railway net. Still other reports indicate an operation against Conton, as reported in the preceding paragraphs. Early action in Shantung is likely. The most probable course of action is the complete occupation of the Tain Parailway, coupled with punitive action in Shantung, and increasing preceurs in the south with a probable landing in the Canton area.

Japanose authorities at Shanghai ammounced on December 27

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strict rules and regulations governing Chinese territory ecoupled by the Japanese ferroes. These regulations, according to a Japanese Embassy spokesman, are applicable to all persons including matternle of third powers, thus apparently destroying the extraterritorial status in those areas proviously enjoyed by most fereign matterns. It is probable that interested powers will protest this action when a suitable secasion arises.

The Japanese navel budget for 1938-39 submitted to the plot totals 677 million yes or about 197 million dellars.

A reorganization of the Chinese Central Government with a decided swing to the left is new in prospect. Endical elements believe that comprete aid from Enseis will result if the reorganization is effected. It is reliably reported that Tu Yu-Jen, President of the Central Tun, has made the following demands on the Government; (1) Enlease of political prisoners; (2) General change in military strategy; (3) Withdremal of all restrictions on mass necessary; (1) Heoignation of the following: Wing Ching-wei, Chairman of the Central Political Committee; H. H. Kung, Finance Minister; Chem Li Pa, Director of the Publicity Department; and other prominent party leaders. These demands are becked by pro-Communist military leaders including Chang Fa Ewel. It is reported that Ching Eni-shek must swing to the left or less control.

Dr. Ting Fu-Hainng, Chinese Ambasundor to Hussia, left Meeeew, December 23, and does not expect to return. Dr. Ting had maintained that Hussia would provide only meral support to Chine in the present war. His replacement is expected to be more optimistic.

Sum Fo, Provident of the Legislative Tunn, flow to Econom December 16 on an undisclosed mission. It is summed that either Sum Fo or Madean Sum Tat-son will be appointed New Chinese Ashassador to Moscow. The Seviet Unions new Ambassador to Chine, I. Legamete-Greinky arrived at Hamber after a slow overland journey from Hossow.

Pross reports from home state that an Italian mission including members of army, many and other Government branches will be sent to Japan at an early date. While the meture of the mission was not disclosed, informed sources believe the objectives would be to study the situation to see what practical benefits both Italy and Japan sould got from their friendship.

Seventeen members of the Italian Aviation Mission in China arrived at Hongkong from Manhow December 19, 1937, on route home. They deny that they were dismissed and stated that they were recalled by the Italian Government. Many reports during the last few menths have indiented that the Chinese did not trust the Italian aviators and had relegated them to inscrivity.

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Assording to a mail report from Baghdad, 12 German airplanes, purchased by M. M. Hung on his recent visit to Germany, were expected to pass through Iraq on route to Chima.

The completion of the new Baihnl-Amer-Register (B.A.M.) railway was amounced at Messew on December 19. This railway leaves the Truns-Siberian at Taishet, passes to the north through important minoral regions and runs to Konsomolsk. There it divides into three branches, one to the north to Mikelaievsk, one to the east to Seviet harber eppesite Eakhalin, and one to the south to Embarevsk and on to Vladivostek. The B.A.M. railway is an important military and economic asset to Siberia. Its reported completion at this early date is believed an eptimistic emaggeration in many quarters.

Reports from London dated December 21 state that husein is strengthening her Par Hast air and see forces on a large scale. The Battleship "Liout. Schmidt," the armored cruiser "Red Ukraine" and 20 submarines were reported to have been ordered to the Par East from Sebestopel. Detechments of air force from Moscow and Kief are also reported to be an route to the Par East.

The Seviet Gevernment has demanded the release of a Seviet mail plane, lest and forced down in Manchoukus December 19.

Russo-Japanese fishing agreements which were due to expire December 31, were extended for one year on December 22. The helding up of these agreements had been a source of irritation to the Japanese for some time.

Sir Archibald John Clark Kerr was appointed British Ambassader to Chima.

#### BORTH CHIMA

On the night of December 18-19 Chinese units directed by Admiral Shem, Hayer of Tringtae, and acting under the reported instructions of the Central Government, destroyed all Japanese mills in the Tringtae area, valued at ever 250 million yea. It had been claimed that the Japanese had delayed invading Shemtung south of the Nellow Enver because of fear that these mills would be destroyed. The Chinese action is ascribed to: (1) desire of the Gentral Government to divert a threatened Japanese invasion of South China to Shemtung; (2) retalistion for the butcheries at Hanking; (3) the ascendancy in the councils of the Central Government gained by Red elements.

Suift Japanese retribution is expected by the Chinese in Shantung. Japanese units eroseed the Teller River at Chinghochen on December 24 and advanced on Chemtern, 10 miles couth. They were not at Tempusan and mear Chemtern by some of Tu Heush-Chinng's units and were

reported to have been driven north toward the Yellow River. Yu Hauchchung in command of the 51st Army, has the bulk of his force in the vicinity of Haund, 60 miles west of Tsingtee. A detachment of Han Fu-chm's troops, in armored trains, destroyed the railroad bridge at Tsochan, 85 miles west of Tsingtee, on December 25, cutting Tu's retreat by rail. Tu's 51st Army is under Li Tsung-Jen's headquarters at Suchow (Junction of Tsin-Pu and Lung-Hai railways) and was kept in Shantung as Central Government pressure on Han Fu-chm. The blowing up the railway bridge may indicate that Han is now actively siding with the Japanese.

Late unconfirmed reports state that the Japanese erossed the Yellow River in force December 25th, and that Tsinan is surrounded and is being subjected to an intense bembardment. Other unconfirmed reports state that Tsinan has been captured.

Tsingtae itself is guarded by a marine detachment of 5,000 men under the Mayor Admiral Shen and a detachment of Salt guards. The Chinese have sunk 5 small gun beats and a dredge at the immer harber and are reported to have mined the entrance. So far except for Japanese observation airplanes flying over the city and Japanese naval eraft in the violinity there has been no Japanese activity in the immediate violinity of Teingtae. It is reported that transports are being assembled at Dairen to carry a Japanese landing force for predicted landings north and south of Teingtae. It is also reported that the Japanese are withdrawing troops from Shanai for a drive down the Teingtae Bailway. The State Department is urging all American citisens (about 300 are esseentrated at Tsingtae) to evacuate at ence. The Japanese Bavy announced a blockade of Teingtae, directed only against Chinese chipping, on December 26th.

Chefoe is no longer garrisoned by Japanese troops. The Japanese are reported to have eccupied Changahan (Miaste) Island (Lat. 28 H. Long. 121 E.) on December 11.

Mr. and Mrs. Harsh and Miss Meher, American missionaries, disappeared under mysterious circumstances at Showyang, Shansi, on December 3. Showyang is on the Changtai Railmy. The area is under dapanese ecouyetism and no Chinese irregulars were reported in the vicinity. Unlessed information regarding them is received before December 26, the Tientein Consulate plans to send Consul Burke and Major Truman Martin, G-2 of the 15th Infantry, to Showyang to investigate the disappearance.

The Japanese Embassy at Pelping announced that Chi Tsung-Ne, Chairman of East Ropel Autonomous Council, had paid the Japanese Coverment 1,00,000 years a first payment of a 1,200,000 year indemnity agreed upon as compensation for the Tungshew massacre.

General Terauchi on December 20 announced at Tientein that

the Japanese Army would upheld the new "Provisional Republic."

The Chinese Central Government on December 21 denounced the self-styled "Provisional Republic" at Peiping as a Japanese puppet and a violation of Chinese severeignty. The Central Government announced that all acts of the spurious government are null and void.

#### CENTRAL CHIMA

Hangehow was captured by the Japanese army on December 21, with little action. The main Chinese defense forces withdrew the night of December 23 leaving only rear guard contingents who fought until the Japanese entered the city. The Chinese report that they have destroyed the newly built railway and highmay bridge across the Chientary river to impede Japanese advance south and to Hingpe. It is reported that Japanese units were withdrawn from Hohsien and Nuhm to aid in the drive on Hangehow. The city was not subjected to much damage and all fereigners in Hangehow are reported safe.

Herth of the langue the Japanese are reported to have reached a point on the Grand Camal about 30 miles morth of Chinkiang and Changpaling on the Isia-Pu railway north of Pukow. The morthern movement does not appear to have gained much momentum so far. It probably consists of detachments pushing forward to maintain contact with retreating Chinese troops.

Japanese report that their naval aircraft on December 25 carried out extensive bombing operations ever Kiangeu, Chekiang, Hupch and Shantung provinces, causing destruction of Chinese planes, military concentrations and railway equipment.

The Chinese are reported preparing a front in Southern Anhwei with the bulk of their forces to resist Japanese advance toward Hankow. In the vicinity of Hauchew (junction of the Lung-Hai and Tain-Pa Hail-ways) the Chinese have a consentration of troops consisting of 5 Rungsi Divisions, several Control Government Divisions and Provincial troops. These are preparing positions to repol a drive north from Hanking.

Along the Yangtse, several barriers are now in preparation and one strong one at Matang near Rukiang was elected to traffic on December 21. Havigation aids on the river have also been removed. The river level at Hamkow is reported 14 feet below last year's level at this time. River conditions will tend to retard Japanese movement up stream.

Reports of Japanese withdramal of troops and supplies from the Shanghai area continue. Over 70 transports are reported off Wasseng and ever 30,000 Japanese troops are reported to have sailed from Shanghai during the past week.

-7-

An officer of the Japanese Navy at Hanking on December 20 informed Admiral Helt of the British Yangtse fletilla that the chammals made through the Madford and Klangyin river barriers (below Hanking) were made solely for the use of Japanese vessels and not for neutral shipping. He stated that the passage of the HMS Ladybird and the USS Oahu and other ships (bringing the Panay survivers down to Shanghai) could not be taken as a precedent.

Admiral Hasegawa on December 21 sent a note to Admiral Yarnell to the effect that while the Japanese Havy would be happy to assist foreign vessels down stream, under certain mild restrictions, the
Yangtes Haver was not open for free navigation. He stated that the
Japanese Havy desired that all foreign vessels including warships refrain from mavigating the Yangtse except when a clear understanding is
reached with the Japanese. Admiral Yarnell replied in a letter dated
December 23, thanking the Japanese for the praffered aid to downstream
shipping and agreeing that notification of movement of merchant shipping is temperarily necessary. As to warships, the Japanese would be
notified of any intended movement, when practicable, and always regarding a passage through the Hiangyin barriers for the present. However, foreign Haval Commanders could not accept the suggested restrictions on men of war and reserved the right to move them whenever necessary without notification. This letter was signed by all senior fereign
Haval Commanders.

The U. S. Embassy at Hanking will be reopened by Cemsuls John B. Allison and James Espay. They are scheduled to leave Shanghai on beard the USS Calm on Desember 27. British and German diplematic representatives here also requested passage to Hanking on the ship. The Cahu will supervise operations to salvage the Fammy.

Report from Shanghai state that there is much hindrance, bribery and graft in connection with removal of goods from and getting access to, fereign-owned property in the Japanese controlled territory. There is difficulty in getting permission to visit plants and in providing for repairs and maintenances. The use of docks is demied. While the Japanese Consulate maintains it is doing its best to ease the restrictions, it is apparent that the Japanese Haval and particularly the Military authorities take the stand that they are masters of Shanghai by right of conquest and all persons must be made cognizant of that fact.

A Japanese spokesman at Shanghai stated December 26, that all areas morth of Secoher Greek with the exception of certain parts reserved for military use will be opened for fereign recidence and business beginning December 27. All Chinese except demestic servants venched for by fereigners, are barred. It is difficult to see how fereigners can conduct business without using Chinese help in effices, warehouses, stores and docks.

It is reported that since November 12, ever 70 Chinese mills and factories in the Namtae area have been burned and the machinery destroyed or moved to Japan.

Reports from Tokyo state that the Japanese cabinet planning board has completed plans for the redevelopment of Greater Shanghai and for the formation of a new city district at Hossung.

Shanghai police report they have uncovered a large scale counterfeiting plot which they claim was for the dual purpose of prefit and to impair China's monetary system. Two million New, dellars' worth of this money had been placed into circulation in the International Settlement and French Consession before the discovery of the plot. The distributing senter for the fraudulent money is leasted in Hongkow. Shanghai police report action to ourb the distribution is difficult because Hongkow is in Japanese controlled territory.

#### SOUTH CHINA

Japanese air raids on Kwantung railways continue daily.

A steemer from Masso on Describer 27 reported sighting a fleet of 20 vessels including transport, 15 miles northeast of Masso. Many airplanes were flying overhead, the ship reported.

The British Ambassador at Tokyo made a formal protest to Japan on December 23 citing violation of Henghang territorial unters by a Japanese destroyer and landing party on December 11.

A Chinese report from Canton claims that land batteries sank a Japanese destroyer during an attack at Watang, Fekien.

Demai reports that a Chinese meb attached two British and two Japanese officers inspecting defenses on the berders of the Henglang leased territory on Desember 20. Major Takuji was reported wounded during the affirm.

Japanese compation of Seachen Island 15 miles southwest of Masso with  $2,000~\rm mm$  has been confirmed. They are also reported to have escupied the near-by Sepac and Kaulan Islands.

Reports of a Japanese landing at Sine Rey on December 20 have not been confirmed.

It is reported that about  $185_{\rm p}000$  Cantonses troops are small-able to resist Japanese attacks on Cantons

DOD Dir. 5200.9, Sept 97, 1986

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Jaganese occupation of Samehau Island 15 miles southwest of Masse with 2,000 men has been confirmed. They are also reported to have occupied the mear-by Sepac and Kaulem Islands.

Reports of a Japanese landing at Sias Bay on December 20 have not been confirmed.

It is reported that about 185,000 Comtonece troops are available to resist Japanese attacks on Camton.

DODDAY STREET DODD DIR. 5200.9, Sept 27, 1958

NOT by Mail Transchi (-1/-65)

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DUPLICATE

AMERICAN CONSULATE,

Taihoku, Taiwan. Japan, November 30, 1937. SER ON POLITICAL RELATIONS

18 29 1937

DEC 3 0 1937 The Honorabs EPARTMENT OF ST

Joseph C. Grew.

American Ambassader

Tokyo, Japan.

Sir:

ASSISTANT SECRETARY

Nyision of FAR EASTERN ATTAIRS

I have the honor to report the following OFC 20 1937 recent activities in Taiwan connected with the "China Incident".

Puneral Services for Troops Killed in China.

On November 11 the remains, (understood to be the form of teeth, nails, hair and no ashes

since crematory facilities were not available),

of 65 Japanese officers and schliers killed in action in China arrived in Keelung from Kobe on the Takasago Haru, having traveled in state with a bodyguard and frequent services on board ship. These relies, in individual boxes about 1 cubic foot in measurement, were received at Keelung by representative military and civil officials and taken to Taihoku where they were met at the station by Governor General Kobayashi, Commander in Chief of the Taiwan Forces Lieutenant General Furusho, numerous officials, representatives of verious patriotic organizations, bereaved families, friends and other citizens, and taken to their regiment (not named in the press).

> Shinto funeral services were held at the regiment

regiment on the 12th attended by the Governor General and others before mentioned, addresses of condolence being read by Regimental Commander Fujishige,
Lieutenant General Furusho and Governor General
Kobayashi.

On the 16th, the Taihoku municipality with Mayor Ishii presiding, held Shinto followed by Buddhist rites in honor of 17 of the local men at which were present 85 members of bereaved families. Governor General Kobayashi in naval uniform, Lieutenant General Furusho, Military and civil officials and 2,000 persons interested. Following the services some 20,000 Taihoku citizens belonging to 204 organizations of various nature passed by the altar, bowing in salute. Addresses of condolence were read by the Mayor, the Governor General, the Commanderin-Chief, the Commander of the Mako Naval Station, the Governor of Taihoku and Mr. Katsujiro Yasuda representative for the Taihoku Municipal Assembly and citizens of Taihoku. Major General Koto. retired, represented the War Minister, Chief of General Staff H.I.H. Prince Kan-in, and the Superintendent of Military Education.

It is understood that the bodies of one or two of the Formosen Chinese killed in China while performing their duties as transport ecolies have been brought back to Taiwan.

#### Lantern Parade.

In celebration of the somplete occupation of Shanghai

4 (2) (4.1804)

Shanghai and the fall of Taiyuan a colorful lantern parade was held in Taihoku on the evening of November 12th in which 40,000 persons participated by groups with floats. The line included students, employees of government offices, banks, firms and various organizations in Taihoku and was reviewed by the Governor General other high officials waving lanterns in response to shouts of "banzai" in front of the offices of the Government General.

#### Celebration for Tripartite Anti-comintern Agreement.

In celebration of the conclusion of the tripartite anti-comintern agreement between Japan, Germany and Italy, Italian Consular Agent Arundell del Re obtained an official representation allowance and held a reception on the occasion of the birthday of H.I.M. the King of Italy on Hovember 11th from 11:30 A.M. to noon at the Taihoku Railway Hotel. attended by the British, Dutch and Chinese consular representatives in Taihoku (Mr. Rowe being absent in Keelung at the time meeting his successor), foreign residents, Commander-in-Chief of the Taiwan Forces Lieutenent General Furusho, Chief of Staff Major General Hata, Chief Army Accountant Major General Furuno, Governor General Kobayashi, Director General Morioka, all bureau chiefs, Acting Chief of Foreign Affairs Division Osawa, The Governor of Taihoku Province, Major of Taihoka, President of the Taihoka Imperial University Dr. Mita, Attorney General Tomono and other leading officials and business men numbering

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over 60 persons in all. Mr. del Re's address in Italian was translated into Japanese by Secretary-Translator Koshimura who also translated the Governor General's response into Italian. The Governor General reised his glass to the photograph of H.I.M. the King of Italy and the Italian representative did likewise to H.I.M. the Emperor of Japan.

A further celebration sponsored by the Taihoku city office was held at the Taihoku Public Hall the same day at 5:30 P.M. and attended by the above officials and others totaling about 500 persons.

Mayor Ishii's address was followed by the Governor General's proposal of "banzais" in celebration of the agreement. On behalf of the party the Major sent appropriate congratulatory telegrams to Premier Konce, the Foreign Minister, and the Italian Ambassador in Tokyo.

In the evening films furnished by the Italian Embassy were shown to approximately the same group of officials preceded by speeches by Major Ishii and Mr. del Re.

#### Japan Ladies National Defence Society

The Taihoku branch of the Japan Ladies National Defense Society was organized here on November 82nd at the inaugural meeting held at Taihoku City Hall. 5,000 white aproned members were present, the principal guests including Commander-in-Chief of the Taiwan Forces Lieutenant General Furusho, Asting Director General Futami, Major Ishii and Chief of Staff

Staff Hata. Addresses were delivered by Mrs.

Shigefuji, President of the Taihoku branch and by
Lieutenent General Furushe, and a resolution passed
inaugurating the local body.

# No Exchange of New Years Cards.

Following the decision of Tokyo, the Taiwan Government General has announced that the exchange of New Years greeting cards by mail among government employees in Taiwan will be discontinued this year because of the China Incident. However post offices will handle the New Years cards of the general public as usual from December 20 to 29.

#### Miscellaneous.

Army units are now in the process of holding mamouvers in all sections of the city typical of which was a skirmish in the street in front of this office this morning. While traffic was suspended, opposing groups of about 50 soldiers each with bayonets set and greenery in their helmets lay prone in the street and ditches and upon signal charged each other over a distance of 50 yards, some emitting whoops in the process. When they met they halted and held bayonetted rifles ready for action, then upon further command the entire group marched down the street in broken rank for a short distance, separated and the process was repeated, invaders presumably being repulsed.

The numerous bombers and other fighters which are constantly heard droning over the city, practicing singly

singly and in formation, impress one with the strength of the air force of Taiwan. Groups of six or more of these bombers leave usually every morning in a northwesterly direction, the same number returning in the evening, with groups occasionally going southwest, such as a group of fifteen this morning which returned late this afternoon. This is of common knowledge since the planes fly for the populace to see, but of course no announcement of destination such as Nanking or the Canton-Hankow Railway is ever made, nor would it be safe to transmit such information were it known.

Respectfully yours,



Gerald Warner American Consul.

File No. 820.02 GW/tkh

g copies to Department of State. 1 copy to Consulate General, Tokyo.

# TELEGRAM RECEIVED

JR

GRAY

FROM

Tsingtao via N. R.

Dated December 29, 1937

Rec'd 12:50 a

Division of

Secretary of State,

Washington.

December 29, 11 a.m.

Tsingtao terminals of the Japanese Tsingtao Sasebo submarine cable and the former German submarine cables Tsingtao-Chefoo and Tsingtao-Shanghai were severed by explosions last night. Equipment in Tsingtao telegraph office also destroyed and wireless station deserted and closed. Director of the Telephone Administration is reported to have stated that telephone central will not be destroyed unless Mayor so directs.

All quiet this morning.

Sent to the Embassies, Shanghai.

SOKOBIN

RR

AN 1 - 1538

793.94/11879

#### TELEGRAM RECEIVED

LMS

2nd BRIGADE USMC

FROMECEMber 29, 1937

Rec'd 8:17 p. m.

Division of FAR EASTER AFFAIRS

OPNAV, CINCAF "ASHIPGTON

INFO:

AMCONSUL SHANGHAI COMSUBRON 5 COMDESRON 5 COMYANGPAT

ALUSNA PEIPING

COMSOPAT AMAMBASSADOR CHINA USS MARBLEHEAD

COPPS SENT TO AND M.I.D.

793,94

8629 Little change military situation Five

additional divisions Central Government troops transferred to Huenchow section Tsingtao line last few days. Settlement quiet 1943

NPL:EMB

AN 1 - 1938



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#### TELEGRAM RECEIVED

FROM

LMS

PLAIN

238

Tsingtao via N. R.

Dated December 29, 1937

Rec'd 5:27 p. m.

AMEMBASSY HANKOW AMEMBASSY PEIPING

Secretary of State,

Washington.

COPIES SENT

DEC 30 1937

DT

793.94

Twentyninth, ten p. m.

Tsingtao drydock which is Chinese and considerable Japanese property just destroyed.

SOKOBIN

NPL:EMB

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795.94/11880

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# TELEGRAM RECEIVED

LMS

FROM

Tsingtao via N. R.

Dated December 28, 1937

Rec'd 7 57 p. m., 29th

Secretary of State,

Washington COUES SENT TO H. AND M.I.D.

Division of

December 28, 4 p. m.

It is reported Tsinanfu (repeat Tsinanfu) /was captured by Japanese and that an eastward drive is today being made along the Kiaochow-Tsinanfu Railway. Chucheng, forty miles southwest of Kiaochow, reported heavily bombed this morning. There has been, however. no change in the peace and order prevailing in Tsingtao.

It is reported that the Chinese authorities in Tsingtao will tonight destroy water works and electric light and power plant.

Practically all leading railway officials of the Tsingtao-Tsinanfu Railway have departed, while the post office is functioning with only a skeleton staff and the maritime customs is disorganized. In a tour of the city not a single Chinese shop was observed open.

Sent to the Department, Hankow, and Peiping,

SOKOBIN

NPL:EMB

7 Q

# TELEGRAM RECEI

JS This telegram must be closely paraphrased be From fore being communicated to anyone (A)

Division of EL SASTERN/AFFAIRS DEC 31/1937

Dated December 29, 1937

Rec'd 7:44 p.m.

Secretary of Sta

Washington

SECRETARY OF STA DEC 00 1937 NOTE

DISER ON POLITICAL RELATIO DEC 3 0 1937 EPARTMENT OF S

793.94 note 793.94119

119, December 29, 3 p.m.

CONFIDENTIAL FOR THE SECRETARY.

A United Press report carried in Navy wireless broadcast under Washington date-line of December 28 reports Ambassador Saito as saying that Japan's peace terms to China will demonstrate that she has no aggressive designs and will be so moderate that Americans will be surprised. In this connection I invite the Department's attention to outline of terms reported in my 116, December 28, 9 p.m. These terms while general in outline are broad enough, when coupled with observed activities of Japanese Army in Manchuria, North China and more recently in the lower Yangtze Valley to afford a very clear and complete domination of China which the Japanese military have in mind in their China policy.

JOHNSON

EMB NPL

.94/11882

11

#### DEPARTMENT OF STATE

#### **DIVISION OF EUROPEAN AFFAIRS**

3 January 1938

www.sectorists.com/sectorists/figures

Netherlands Reaction to Panay Inci-

As might be expected, the Far Eastern situation continues to be closely followed in the Netherlands. Opinion generally seem in the Netherlands. Opinion generally seems to be that the PANAY and LADYBIRD incidents will bring forth little more than formal protests from the United States and Great Britain, and that until the United States Britain, and that until the United States and Great Britain cooperate and present a common front against Japan, that Japan will continue to do more or less as she pleases in China, treating American and British interests with impunity.

As an exception to the general current of opinion the NEDERLANDER, organ of the Christian Historical Party, holds out some hope that the recent warnings of the United States and Great Britain may merhaps have some effect.

effect.

Cumming



# LEGATION OF THE UNITED STATES OF AMERICA

The Hague, Netherlands, December 18, 1937.

SUBJECT: NETHERLANDS PRESS REACTION TO RECENT EVENTS IN CHINA

DIVISION OF C 3 1 1937 DEPARTMENT OF STATE

102

のでは、一般の経験を持ちないのである。 またい はないない かんしょうしゅん

Division

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the Sino-Japanese conflict continues to be closely followed in this country. Public opinion as reflected in the press is apparently not inclined to regard the Far Eastern situation as having become unduly serious or alarming as a result of the recent bombing and sinking of the American gunboat PANAY, and the attack on the British gunboat LADYBIRD, by Japanese airplanes; these are merely regarded as further unfortunate incidents, which, as has been the case in the past.... F

J

793.94/11883

past, will result in little more than formal protests on the part of the United States and Great Britain, the Powers directly affected. Netherlands officials with whom officers of this Legation have talked seem inclined to subscribe to these views.

Press comment has been extensive, and generally speaking is to the effect that American and British action as a result of the PANAY and LADYBIRD incidents may be expected to be limited to formal protests; also, that until the United States and Great Britain cooperate and present a common front against Japan, the latter country will probably continue to do more or less as it pleases in China, treating American and British nationals and property with impunity.

The NIEUWE ROTTERDAMSCHE COURANT, in an editorial in its edition of December 14, observes that the day has passed when a country is unable to insult another country's flag without being called to strict account. This newspaper believes that people in the Netherlands who expect the United States and England to take up arms to protect the lives and property of weaker nations should note carefully the present attitude of those countries at a time when their own nationals and property are being attacked by Japan. Concluding its editorial, the NIEUWE ROTTERDAMSCHE COURANT remarks that:

"Apologies, promises to pay damages, and the offer of assurances that incidents (such as those of the PANAY and LADYBIRD) will not occur again are all that one can expect during the next few days. As long as the United States and Great Britain are unable to collaborate in perfect harmony,

and...

and are not ready, if necessary, to place their military forces in action, Japan will continue her present course, with now and then an act whose audacity will surprise the whole world."

The Roman Catholic MAASBODE, of Rotterdam, in its edition of December 14, is of the opinion that if England and the United States do not support their protests by an exercise, or at least show, of force, Japan will continue to do as it has done since it commenced operations against China. Continuing, this newspaper observes that:

"The Japanese army in China is waging war just as much, perhaps even more, against the West than against China; \*\*\*\* If the West lacks courage, or is unwilling to fight, written protests are futile unless supported by force; and in that case the Japanese military clique will do nothing to change its present reckless policy."

The Liberal ALGEMEEN HANDELSBLAD, of Amsterdam, in its edition of December 14, observes that, contrary to their practice in the past, the Japanese authorities were quick to apologize in the case of the PANAY and LADYBIRD incidents, probably as a result of fear that they had gone too far. This newspaper is, however, of the opinion that the United States and Great Britain will confine themselves "to the usual, albeit stronger, protests".

Unlike the other newspapers, the NEDERLANDER, the organ of the Christian Historical Party, holds out some hope that the recent warnings of the United States and Great Britain to Japan may perhaps have some effect. In its issue of December 15, this newspaper comments as follows:

The state of the s

"Just as the indulgent attitude of Great Britain in European politics has resulted in the....

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the 'big man' in Rome becoming more and more brutal in his actions, so have the more than indulgent, even indolent attitudes of the United States of America and Great Britain toward the Far Eastern conflict served to increase the temerity of the Japanese.

At present it looks as if the President of the United States desires to cry out to the Japanese: 'Enough. I will not tolerate your going further'.

And, while we must use the greatest prudence in judging the Japanese, who are invariably incomprehensible and impenetrable, there is at present every indication that the warning issued will have some effect. At least the tone of the Japanese already is not as provocative as formerly.

The fact that the Japanese have become highly perturbed as a result of this blow from America, so that they are beginning to realize that they cannot do everything they want, may have its good side.

Responsible political circles in Japan may be forced to restrain somewhat the military party, and it is quite possible that public opinion will support those circles. But time alone will tell, especially since one must always be prepared for surprises, at least as far as the Japanese are concerned.

The fact that but one paper has recalled that only once has the Mikado been forced to present excuses personally - this refers to the attempt on the life of the Russian Royal Prince in 1894 - perhaps demonstrates that Japan is seriously preparing for retreat, inasmuch as the United States of America has shown itself so provoked."

Respectfully yours,

reonje d. Jordon George A. Gordon.

File No. 710
In quintuplicate
JWB:ekd

DEPARTMENT OF STATE

**DIVISION OF FAR EASTERN AFFAIRS** 

Jam. 5, 1937

JWB

London's 3687, December 16, 1937, consists of the "Texts of notes Exchanged between the British and Japanese Governments Concerning the Attacks on British Ships on the Yangtze". The substance of these notes has already been supplied by telegraph, and the texts, though useful for reference need not be read.

JMJ



# **EMBASSY OF THE** UNITED STATES OF AMERICA

No. 3687

London, December 16, 1937.

Texts of notes Exchanged between the British and Japanese Governments SUBJECT:

Concerning the Attacks on British ships

on the Yangtze.

193.94

1957 DEC 23 PM | 06

DIVISION OF EUROPEA Di**vision** of A EASTERN AFFAIRS

The Honorable

The Secretary of State, Washington.

Sir:

1/

2/

793.94/11654

Supplementing the Embassy's telegram No. 779 of December 15, 5 p.m., I have the honor to enclose herewith a clipping giving Mr. Eden's statement on December 15 in the course of which he read to the House of Commons the text of a Japanese note of apology regarding the attacks on British shipping on the Yangtze. There is also enclosed herewith a clipping containing the

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F/FGFILED

text of the British note to Japan, as published in London on December 16, acknowledging the Japanese note mentioned above and defining the British Government's attitude towards the whole series of incidents.

Respectfully yours,

Herschel V. Johnson J. M. Chargé d'Affaires ad intérim.

Enclosurés:

- 1. Clipping from the <u>Times</u> entitled THE ATTACKS ON BRITISH SHIPS.
- 2. Clipping from The Times entitled TEXT OF BRITISH NOTE.

hm/wjk

Enclosure No. / to despatch No. 3687 of EC 16 1937

from the Embassy of Landon, England.

PAPER:

THE TIMES

NUMBER:

CITY:

LONDON

DATE: DEC 1 6 1937

1

# THE ATTACKS ON BRITISH SHIPS

NOTE TO JAPAN

Mt. ATTLEE (Limehouse, Lab.) asked the Secretary of State for Foreign Affairs whether he field at the further statement to make relative to the position in the Far East.

Mr. EDEN—Yes, Sir. As the House will recall, immediately on the occurrence of the attacks on British shipping on the Yangtee his Majesty's Ambassador in Tokyo made the strongest representations to the Japanese Government. The House will have seen that the Japanese Government visterday addressed a note to his Majesty's Ambassador in Tokyo concerning attacks on his Majesty's ships.

The following is the text of that Note:—

"Your Excellency, the Imperial Japanese Government deeply regret the occurrence of incidents in which his Majesty's ships Ladybird, Bee, Cricket, and Scaráb were accidentally bombed on December 12 in the neighbourhood of Wuhu and Nanking, and I hereby offer a profound apology in their name. I have the honour to inform your Excellency that the Imperial Government immediately took the necessary measures to prevent the recurrence of incidents of this nature and to add that they will deal suitably with those responsible for the incidents immediately on completion of their investigations, and are also prepared to pay the necessary compensation for damage to your country.

"The Imperial Government earnestly hope that the occurrence of these unfortunate incidents will not impair the traditional friendship existing between our two countries."

# "NO REPETITION"

"NO REPETITION"

His Majesty's Government are to-day sending a communication to the Japanese Government acknowledging the receipt of this Note, defining their attitude towards the whole series of incidents and emphasizing the seriousness of the situation which has thus been created and the requirements which in their judgment flow from it.

His Majesty's Government are further drawing attention to aspects of the recent grave incidents not covered by the Note of the Japanese Government. In particular they wish to be assured that action is being taken of such a character as will definitely ensure that there shall be no repetition of these incidents—(cheers)—which, as the Japanese Government themselves realize, must impair relations between the two countries.

As the Note is not yet in the hands of the Japanese Government 1 am unable to give the House the text, which will, however, I hope be published to-morrow morning.

Mr. ATTLEE asked if the Prime Minister would give a day before the House rose for a discussion on foreign affairs. (Ministerial cries of "No.")

Mr. CHAMBERLAIN said that when he was making arrangements for next week's business he would bear the matter in mind.

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Prolosure No. 2. to despatch No3689 of DEC 16 1937 from the Embassy at London, England.

PAPER:

THE TIMES

NUMBER:

CITY:

LONDON

DATE: DEC 1 6 1937

# TEXT OF BRITISH NOTE

# EFFECTIVE STEPS

The text of the British Note to Japan [in which cross-headings have been inserted] is as follows:

I have the honour, on instructions from his Majesty's Government in the United Kingdom, to address Your Excellency on the subject of the attacks made by Japanese aircraft and land forces on British warships and merchant shipping at Wuhu and near Nanking on December 12. These incidents clearly raise

December 12. These incidents clearly raise grave issues. At Wuhu, a British tug which had conveyed from Nanking his Majesty's Consul, the British Military Attaché, and the Flag Captain to the British Rear-Admiral, Yangize, was attacked by Japanese machine-gun fire after transferring these officers to H.M.S. Ladybird. The latter proceeded to join the tug in order to protect her, when she observed a Japanese field-gun battery firing on merchant ships concentrated above the Asiatic Petroleum Company's installation. Firing continued and was directed at H.M.S. Ladybird herself. There were four direct hits of this vessel: one naval were four direct hits on this vessel: one naval-rating was, killed, another was seriously wounded, and there were several minor casual-ties, including the Flag Captain. A direct hit was also seen to be sustained by the British merchant ship Suivo.

# THE OFFICER'S ORDERS

H.M.S. Bee then arrived on the scene and was also fired on by the shore battery. The commander of H.M.S. Bee landed to protest, and was informed by Colonel Hashimoto, the senior Japanese military officer then at Wuhu, that the firing on the warships was due to a mistake, but that he had orders to fire on every ship on the river. At a later interview, the same officer stated categorically that if any ships moved on the river they would be fired on, and, despite protests, his Majesty's ships Bee and Ladybird, after berthing, remained covered by guns at point-blank

Near Hsiasanshan, above Nanking, where British merchant ships were concentrated in a part of the river previously designated by the Japanese Commander-in-Chief as a safety zone, three separate bombing attacks were made by Japanese aircraft on them and on his Majesty's ships Cricket and Scarab, which were with them.

were with them.

His Majesty's Government have now been glad to receive Your Excellency's Note of December 14 offering the profound apology of the Imperial Japanese Government for the attacks on his Majesty's ships, stating that measures were immediately taken to prevent the recurrence of such incidents, and adding that they will deal suitably with those responsible and pay the necessary compensation.

His Majesty's Government observe that Your Excellency's Note makes no mention of the attacks on British merchant vessels, and I am instructed to request that an assurance may

am instructed to request that an assurance may be given that all that is said in that Note applies equally to these attacks.

# PUNISHING THE CULPRITS

His Majesty's Government take particular note of the statement that those responsible will be suitably dealt with. Adequate punishment of those responsible for the particular attacks under discussion seems indeed to his Majesty's Government to be the only method by which further outrages can be prevented. His Majesty's Government cannot but recall previous incidents in which the Japanese Government have expressed regret for attacks made on British nationals and property, and have given assurances that adequate steps had been taken to prevent any repetition. They call to mind the attack made on his Majesty's nave given assurances that adequate steps had been taken to prevent any repetition. They call to mind the attack made on his Majesty's Ambassador'in China while travelling by road from Nanking to Shanghai, the subsequent attack on motor-cars conveying British officials on a similar journey, the attacks on British civilians and military posts on the defence

civilians and military posts on the defence perimeter at Shanghai, as well as other incidents, and the repeated assurances of the Japanese Government of their intention fully to respect the interests of third Powers in the present conflict with China.

It is clear that the steps hitherto taken by the Japanese Government to prevent such attacks have so far failed in that purpose, and his Majesty's Government must now ask to be informed that measures have actually been taken of a character which will put a definite stop to the incidents of which they complain.



## EMBASSY OF THE

# UNITED STATES OF AMERICA RECEIVED DEPARTMENT OF STATE London, December 16, 1937.

No. 3690.

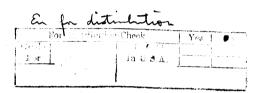
1937 DEC 29 AM 11 55

Attacks conjunction ships in Chi SUBJECT:

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793.91



Division of FAR EASTERN AFFAIRS DEC 3 0 1937

The Honorable

The Secretary of State,

Washington.

Sir:

793.94/117800

Referring to the Embassy's despatch No. 3680 of December 16, 1937, I have the honor to transcribe below the Foreign Secretary's statement made in the House of Commons on December 13 in reply to a question concerning the action of Japanese forces in firing on British warships on the preceding day:

"Mr. Eden .- Yes, Sir. I regret to say that several attacks were made yesterday by Japanese forces on foreign shipping, including his Majesty's ships, on the Yangtze River.

793.94/11885

A concentration of British merchant shipping with his Majesty's ships Cricket and Scarab in company at a spot between Manking and Wuhu were attacked with bombs three times, but fortunately without a hit being registered. His Majesty's ships opened fire in return with no reported result.

"At Wuhu further incidents took place. His Majesty's ship Ladybird, while proceeding to join a British tug which had been attacked by machine-gun fire, was fired on by a field-gun battery. Four direct hits were sustained by his Majesty's ship Ladybird, and I deeply regret to have to report that one naval rating was killed. There were in addition several casualties, including the Flag Captain. The same battery had been firing at merchant ships and at least one British merchant ship was hit. His Majesty's ship Bee, which arrived shortly after, was also fired upon but was not hit. The senior naval officer landed and made a strong protest to the senior Japanese military officer, who stated that the firing on the warships was a mistake but that he had orders to fire at every ship on the river.

"The Japanese civil, military, and naval authorities in Shanghai were immediately informed and have undertaken to warn the Japanese forces in the field. Meanwhile his Majesty's Ambassador in Tokyo has made the strongest protest to the Minister for Foreign Affairs, who has promised to make an immediate inquiry.

"The seriousness of these incidents needs no emphasis, but in view of the grave issues involved I hope that the House will not ask me for any fuller statement to-day."

Respectfully yours,

Herschel V. Johnson Chargé d'Affaires ad interim.

Marie ( ) re

HM/WJK

# TELEGRAM RECEIVED

JS

COMYANGPAT

FROM

Rec'd December 30, 1937

5:00 a.m.

Division of FAR EASTERN AFLAIRS

ACTION: OPNAV

INFO:

OFNAV
ZND FRIGADE U.S.M.C.
YANGPAT
COMSUERON 5
COMDESRON 5
CINCAF

COMSOPAT

AM-AMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING.

0029 Yangtze River ports quiet 1904.

JS

793.94

COPIES SERVE TO O.N.I. AND MILD. 07

CHILL F/FG

**1933** 

# TELEGRAM RECEIVED

JS

COMSOPAT

Rec'd December 30, 1937

5:00 a.m.

Division of FAR EASTERN AFFAIRS
DEC 10 1937

ACTION: OPNAV
INFO: 2FD ERIGADE USMC
COMSUERON 5
COMDESROF 5 CINCAF CINCAF COMYANGPAT

AM-AMBASBADOR CHINA
UBS MARPLEHEAD
ALUSNA PEIPING

COPIES SENT TO 9:N.I. AND M.I.D.

0129 South China ports quiet 2000

JS

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793.94/11887

AN 1 - 1938 F/FG CIBTILL

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# CORRECTED GORFAN CRÉCEIVED

This telegram must beclosely paraphrased before being-menmunicated to anyone. (A)

Hankow via N. R.

4 7:36 p. Division of

FAR EASTERN AFFAIRS

Dated December 29, 1937

paraphrase OPIES SENT TO Secretary of State

Washington.

O.N.I. AND M.I.D.

FROM

confidence

117, December 29, 10 a. m.

I concur in following Estimate of Chinese military situation prepared by Military Attache.

"One. Without any reliable means of checking and base& largely on fragmentary information from varied sources the following estimate is submitted as an impression of present conditions. The Chinese authorities are loath to make definite statements or more probably are themselves ignorant of conditions. Foreign military observers are not given any opportunity to form a judgment based on observation; even the German advisers may be in the dark. However, certain facts can be accepted which indicate the true state of affairs.

Two. The Chinese have had serious losses in planes, guns, tanks, trucks and facilities for their air service and artillery are reduced to a small fraction of their needs. The tank corps was never more than a beginning. The losses in personnel have been large, but the reserve of manpower is enormous; this presents no problem exceptos number

EDA - 2 - #117, December 29, 10 a.m. from Hankow

number of replacement. The force defending Nanking now split and scattered; part is north of the Yangtze, part is in Southern Anhui, part is in Chekiang. Cooperation between commanders at best was very poor; it is now worse than ever. What little cohesion existed during the first few months has been shattered. The disintegration of the army has been considerable, and is apparent from the ease of Japanese movements, the inability of the Chinese to establish a front or take any combined action, and the increasing talk of resort to guerilla warfare. Many units are out of hand and simply living on the country.

Three. A semblance of control exists which may give orders that issue from the high command, as for example the designation of commanders for the various fronts, but the mifture of units from neighboring provinces in these several localities makes effective control impossible. The unit commanders do not want replacements supplied by the central authorities; the prefer to recruit their own people. To get order out of this mixture of defeated and depleted units scattered in Kiangsu, Anhui, Chekiang and Kiangsi is probably beyond the power of the Central Government. Instead of attempting to fill up and reorganize the units that have been in action a new command seems now to be forming new units and concentrating

EDA - 3 - #117, December 29, 10 a.m. from Hankow

its efforts on the Hankow Nanchang Changsha area where they are trying to build up a force while awaiting the developments that events will force on them.

Four. I believe the high command has no other plan beyond further retreat to the west and will most likely in case of attack and that they are pinning their faith on the size of the country, over extension by the Japanese, possible intervention by Russia, possible internal trouble in Japan, and an effective development of the Red campaign against the Japanese communications. It is certain that any offensive by the Chinese is out of the question, and it is very doubtful if a force capable of offering any further serious resistance can be created."

Please furnish copy to the War Department. Sent to Peiping.

**JOHNSON** 

# TELEGRAM RECEIVED

This telegram must be closely paraphrased before being communicated to anyone.

FROMNKOW via N. R.

Dated December 29, 1937

Rec'd 7:36 p.m.

Secretary of State, Washington.

Division of FAR EASIEME ALLAIMS DEC 3 0 1937 Department of a se

793.74

117, December 29, 10 a.m.

I concur in following Estimate of Chinese military situation prepared by Military Attache.

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Two. The Chinese have had serious losses in planes. guns, tanks, trucks and freighters. Their air service and artillery are reduced to a small fraction of their needs. The tank corps was never more than a beginning. The losses in personnel have been large, but the reserve of manpower is enormous; this presents no (?) except

number

-2- #117, December 29, 10 a.m., from Hankow via N. R.

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part is in Southern Anhui, part is in Chekiang.

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it is now worse than ever. What little cohesion existed
during the first few months has been shattered. The

(?) (?) has been considerable, and is apparent from the

(?) Japanese movements, the inability of the Chinese

(?) a front (?) take any combined action, and the
increasing talk of resort to guerilla warfare. Many
units are out of hand and simply living on the country.

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-3- #117, December 29, 10 a.m., from Hankow via N. R.

Changsha (?) (?) trying to build up a force while awaiting the developments that events will force on them.

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Please furnish copy to the War Department. Sent to Peiping.

JOHNSON

[CONFIDENTIAL]

# CONFIDENTIAL

# PARAPEKABB

A telegram (no. 117) of December 29, 1937, from the American Ambassador at Hankow reads substantially as follows:

The American Hilitary Attachs submits as an impression of present conditions, based largely on fragmentary information from various sources with no reliable means of checking, the following estimate of the Chinese military situation:

No opportunity is given to foreign military observers to form a judgment based on observation; the German advisers may even be in the dark. The Chinese authorities are reluctant to make definite statements or, as is more probable, they are themselves ignorant of conditions. Certain facts which indicate the real state of affairs can be accepted, however.

The Chinese have had large losses in personnel, but the reserve of manpower is very great and this presents no problem except number of replacement. They have had serious losses in guns, tanks, airplanes, and trucks. Facilities for their artillery and air service are reduced to a small fraction of their needs. The tank corps never was more than a beginning. Cooperation between commanders, which was very poor at best, is now worse than ever. Such little cohesion as existed during the first few months has been broken up. The disintegration of the army has been great and is obvious from the increasing talk of resort to guerrilla warfare, the inability of the Chinese to take any combined action or to establish a front, and the ease of Japanese movements. Many units are out of control and are simply living on the country. The force defending Manking is now split and scattered --- part is in Chekiang, a part is in Southern

-2-

Southern Anhui, and a part is north of the Yangtse.

There exists a shadow of control which may give orders that issue from the high command, for example, the naming of commanders for the different fronts. However, effective control is made impossible by the mixture of units from neighboring provinces in these several localities. The unit commanders prefer to recruit their own people and do not want replacements supplied by the central authorities. The Central Government probably has not the power to bring order out of this mixture of depleted and defeated units scattered in Kiangsi, Anhui, Chekiang, and Kiangsu provinces. It seems now that a new command is forming new units instead of trying to reorganize and fill up the units that have been in action. This new command appears to be consentrating its Hankow, efforts on the area around/Nanchang, and Changsha where an attempt is being made to build up a force while developments that events will force on them are being awaited.

It is very doubtful whether a force capable of offering any further serious resistance can be created and it is certain that any offensive by the Chinese is out of the question. The Kilitary Attaché is of the opinion that the Chinese high command has no plan other than farther retreat to the west and that this retreat will most likely take place in case of attack. The Military Attaché believes also that the Chinese high command is pinening its faith on possible intervention by Russia, overextension by the Japanese, possible internal trouble in Japan, an effective development of the Red sampaign against the Japanese communications, and the size of the country (China).

The

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0, dies from NARS, Date 12-18-15

-3-

The American Ambassador requests that there be sent to the War Department a copy of this estimate in which he expresses consurrence.

793.94/11888

FE: EGC: HES 1-3-38 ARM

MSTO

# TELEGRAM RECEIVED

JR

1---1336

FROM GRAY

Tsingtao via N. R.

Dated December 29, 1937

Rec'd 9:05 a.m. 30t

Secretary of State, SPCOPIES SENT TO

Washington.

O.N.I. AND M.I.D.

December 29, 4 p.m.

The Consulate is informed by a reliable source that the Chinese authorities will destroy tonight the Sino-Japanese owned electric light and power substation which was completed in May, we believe at a cost United States gold dollars 300,000. The old power plant it is stated

Sent to Peiping, Hankow.

will continue to function.

SOKOBIN

RR:HPD

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# TELEGRAM RECEIVED

EG

793.91

FROM

Tokyo

Dated December 30, 1937

Division of

DEC 3/0

Rec'd 8:30 6

Secretary of State,

Washington.

697, December 30,

CONFIDENTIAL. One. My British colleague has given me in confidence a copy of the Japanese reply to his representations regarding attacks on British vessels on the Yangtze. It has not yet been decided when the note is to be published. The note is quite long, and I shall not telegraph it textually unless instructed.

Two. Its important features are

- (A) The attacks upon British vessels was a mistake. As soon as vessels were known to be British, Japanese bombing and military units ceased fire and offered medical assistance.
- (B) With reference to the assertion of a Japanese officer that he had received orders to fire on all vessels, the orders issued referred only to vessels used by the Chinese. This misunderstanding probably arose over the language difficulty.
  - (C) In order to ensure against recurrence of similar incidents

-2- No. 697, December 30, 11 a.m. from Tokyo incidents, those responsible are being dealt with according to law.

(D) Further to guard against recurrence, greater caution will be exercised in areas where there are vessels of third powers even if it should entail permitting Chinese forces to escape. Studies are being made of location of British subjects and property.

GREW

 $\mathtt{HPD}$ 



### TELEGRAM RECEIVED

EG

FROM'SS MARBLEHEAD

December 30, 1937

Rec'd 9:35 a.m.

ACTION: CINCAF

INFO: SECOND

SECOND BRIGADE USMC COMYANGPAT

COMSOPAT

OPNAV

ALUSNA PEIPING

OPIXS SENT TO

Division of FAR EASTED AFFAIRS

DEC 10 1937

Department of State 1

793.94

1029. Cable terminals Tsingtao to Sasebo, Chefoo, Shanghai and telegraph office destroyed by explosions last night. Chinese and foreign population continue evacuate. Most city officials left. Mayor remains. Foreign residents organization vigilante police. One Japanese transport destroyer escort anchored Lee Taiyung Tao visible from ILTES, smoke from approximately five additional ships visible from ILTE'S hulk. 2222

RR:JLS

F/FG

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Dustefry NARS, Date 12-18-75

PREPARING OFFICE
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Department of State

Washington,

1937 DEC 20 PM 4 20

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AMEMBASSY,

DEC 20 PM 4 20 December 20, 1937.

93.94/11738 364 TOKYO, (JAPAN NO ON OF TOKY) Times this morning features a special Out! The New York cable by Hallett Abend to the effect that there is a split tery command which was brought to a in the Japanese mil climax by the Japanese soldiers who fired on the Panay from motor launches for this was done the personal semment of Colonel Kingoro Hashimoto, and that the situation has now arisen Tapanese officers are beginning to wonder whether General Matsuildares punish this colonel. The cable states that Hashimoto was one of the prime movers of the February 26, 1936 incident and that on account of the part then he played he was placed on the reserve list until early this autumn/when he was recalled to active duty.

The cable despatch continues:

QUOTE The writer learns on unimpeachable authority that apprehension is mounting rapidly not only in conservative army circles but also in government circles generally. It is feared that if Colonel Hashimoto is not punished at least equally with Rear Admiral Keizo Mitsunami, commander of the haval air forces that bombed the Panay, all foreign governments will feel that the heads of the Japanese Army are no

Enciphered by			
Sent by operator	М.,	 19,	

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DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0. design NARS, Date /2-/8-75

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PREPARING OFFICE WILL INDICATE WHETHER TELEGRAM SENT

TO BE TRANSMITTED
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Collect Charge Department

Department of State

IDENTIAL CODE PARTAIR PLAIN

Charge to

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Washington,

longer responsible and will follow President Roosevelt's example, addressing all protests personally to Japan's Emperor.

Colonel Hashimoto's use of political power to protect his position is said to be having a most disastrous effect on discipline in all ranks of the army, even privates adopting the attitude that if higher officers go unpunished there is nothing to prevent them from looting and raping.

The collapse of discipline and the horrors following the occupation of Nanking are traced directly to this situation by the conservative army officers who support General Matsui. They are keenly alive to the dire necessity of restoring discipline. This faction of officers admits that the Japanese Navy under Admiral Kiyoshi Hasegawa, the commander in the Yangtze area, has made every effort to atone for the Panay bombing, while the Japanese Army, after a lapse of more than seven days, has done nothing except to evade responsibility and attempt to obscure the issue.

Conservative officers characterize as SUBQUOTE incredible END SUBQUOTE the excuse Colonel Hashimoto and his supporters offer for the pointblank shelling of the British gunboat Ladybird the day the Panay was bombed and machine-gunned.

Enciphered by			
Sent by operator M.,	,	19	
D. C. RNo. 50	1-1462	U. S. GOVERNMENT PRINTING OFFICE	

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Dueleim NARS, Date 12-18-75

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PREPARING OFFICE WILL INDICATE WHETHER

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TO BE TRANSMITTED CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PARTAIR

Collect Charge Department

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Department of State

Charge to

Washington,

-3-

This explanation, belatedly offered last night, was that when the shelling occurred the river was foggy and smoke emitted from the <u>Ladybird's</u> stack convinced those ashore that she was a Chinese gunboat attempting to lay a smoke screen on the river to cover large numbers of barges and junks, supposedly filled with Chinese soldiers escaping to the north shore.

The Japanese Army spokesman in Shanghai promised last night to produce today a written, detailed report of the army's share in the Panay incident. He admitted that a motor launch loaded with Japanese soldiers halted the Panay before the bombing and that the commander of the Panay and the commander of the launch exchanged cards.

But the army spokesman said the unit that established the identity of the Panay then proceeded to the north bank of the Yangtze and joined the advance toward Pukow.

SUBQUOTE If the alleged machine-gunning occurred it was done by another unit, END SUBQUOTE he asserted.

The spokesman said the identity of this second unit was established but that the commander s version of the affair had not been received.

Enciphered by	Colonel Hashimot	o has an interesting	grecord. In 1917
Sent by operator	<i></i>	, 19,	
D. C. RNo. 50	I—1462	U. S. GOVERNMENT PRINTING OFFICE	

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0, dissign NARS, Date 12-18-75

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PARTAIR

Department of State

Washington,

he was attached to the Japanese Embassy in Russia. He watched the street fighting in the Russian Revolution for many days from the Embassy's windows. He has long manifested an interest in the technical details of street battles, and his enemies charge that during his Russian sojourn he became impressed with revolutionary ideas. END QUOTE.

The Department expects to receive Tuesday evening or Wednesday the findings of the United States Naval Court of Inquiry in regard to the Panay incident.

Enciphered l	by		
Sent by oper	alor M.,		19,
D. C. R	-No. 50	r—1462	U. S. GOVERNMENT PRINTING OFFICE

NEW YORK TIMES -- December 20, 1937.

2 CR

in Japanese Command By HALLETT ABEND

Special Cable to THE NEW YORK TIMES.

SHANGHAI, Monday, Dec. 20.

While the Japanese Army is pattling Chinese forces along ever-extending fronts, a battle that is even more grim is going on within the army's highest command.

This bitter struggle was brought to a climax by the Japanese soldiers who fired on the United States gunboat Panay from motor launches on Dec. 12, for this was done on the personal command of Colonel Kingoro Hashimoto, and the situation has now arisen where Japanese officers are beginning to wonder whether General Iwane Matsui, commander-in-chief of the armies in the Yangtze area, dares punish this colonel.

To outsiders it may seem incredible that any colonel in any army would thus dare attempt a test of strength against his own general. An explanation of this critical situation is found in the fact that Colonel Hashimoto was one of the prime movers in the notorious military coup in Tokyo on Feb. 26, 1936, when several members of the Cabinet were murdered and Japan's capital was terrorized for several days.

After the uprising, which actually amounted to mutiny, was quelled investigation revealed that clonel Hashimoto was one of the ncipal leaders of the so-called younger officers' clique, which engineered the attempted coup d'état. Colonel Hashimoto was cashiered for the part he played and was placed on the reserve list, remaining there until early this Autumn when the need for sending 500,000 soldiers to China resulted in his recall to active duty.

#### Japanese Officials See Peril

The writer learns on unimpeachable authority that apprehension is mounting rapidly not only in conservative army circles but also in government circles generally. It is feared that if Colonel Hashimoto is not punished at least equally with Rear Admiral Keizo Mitsunami, commander of the naval air forces that bombed the Panay, all foreign governments will feel that the heads of the Japenese Army are no longer responsible and will follow President

Roosevelt's example, addressing all protests personally to Japan's Emperor.

Colonel Hashimoto's use of political power to protect his position is said to be having a most disastrous effect on discipline in all ranks of the army, even privates adopting the attitude that if higher officers go unpunished there is nothing to prevent them from looting and raping.

The collapse of discipline and the horrors following the occupation of Nanking are traced directly to this situation by the conservative army officers who support General Matsui. They are keenly alive to the dire necessity of restoring discipline. This faction of officers admits that the Japanese Navy under Admiral Kiyoshi Hasegawa, the commander in the Yangtze area, has made every effort to atone for the Panay bombing, while the Japanese Army, after a lapse of more than seven days, has done nothing except to evade responsibility and attempt to obscure the issue.

Conservative officers characterize as "incredible" the excuse Colonel Hashimoto and his supporters offer for the pointblank shelling of the British gunboat Ladybird the day the Panay was bombed and machine-gunned. This explanation, belatedly offered last night, was that when the shelling occurred the river was foggy and smoke emitted from the Ladybird's stack convinced those ashore that she was a Chinese gunboat attempting to lay a smoke screen on the river to cover large numbers of barges and junks, supposedly filled with Chinese soldiers escaping to the north shore.

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"If the alleged machine-gunning occurred it was done by another unit," he asserted.

The spokesman said the identity of this second unit was established but that the commander's version of the affair had not been received. Colonel Hashimoto has an interesting record. In 1917 he was attached to the Japanese Embassy in Russia. He watched the street fighting in the Russian Revolution for many days from the Embassy's

for many days from the Embassy's windows. He has long manifested an interest in the technical details of street battles, and his enemies charge that during his Russian sojourn he became impressed with revolutionary ideas.

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# DOCUMENT FILE

#### **NOTE**

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The Swedish press has not devoted much editorial comment to the present war in Chins. Up to December 15 the only extensive comment appeared in the NYA DAGLIOT ALLEHANDA (Conservative, Stookholm) and primerily dealtwith the similar of the U.S.S. PANAY. The opinions

advanced by the Wik DAOLICT ALLEMANDA were reported in

the Legation's despetch No. 185 of December 15, 1957.

/MR

#### DEPARTMENT OF STATE

#### Memorandum of Conversation

November 17, 1937

SUBJECT: Statement on Foreign Policy Issued by the NOV 27 1937

PARTICIPANTS: Mr. Robert Gray Teylor,

Mr. Myers.

COPIES TO:

193.94.

DIVISION OF RECOM Division of FAR EASTERN AFFAIRS V 2 3 1937

DIVISION OF

Mr. Robert Gray Taylor called at the Department today and was referred to Mr. Myers. He handed the attached Statement on Foreign Policy to Mr. Myers with the request that it be brought to the attention of Mr. Hamilton and the Secretary.

Mr. Taylor said that he would welcome comment on the part of the Department in regard to the contents of the statement but that he realized the Department might not care to express any views. Mr. Taylor added that he intended having the statement published.

In the attached statement reference is made to views expressed by Mr. Taylor in 1933 to the effect that a boycott of German goods would only cause the liberals to side with the German man Government, to the detriment of those classes not in aym-

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pathy with the Government, and the view is advanced that a boycott of Japanese goods would work badly and would hurt the "simple people" of Japan. It is stated that the best available machinery with which to deal with the present situation in China, now that "our President has prejudged the case before the Nine Power signatories", is the Kellogg Pact, and it is recommended that the signatories of that Pact should call China and Japan to a conference table and ask them to find an agreement "fair to both and as satisfactory as possible to each"; that the signatories of the Pact should refuse to recognize territorial acquisitions or trade advantages achieved either by military aggression or by "meddling citizens of foreign countries not willing to submit to citizenship or to abide by the laws of the country of residence". The repeal of the Japanese Exclusion Act is advocated.

In my opinion no action on the part of the Department is called for.

FE:MSM:NN

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# STATEMENT ON FOREIGN POLICY ISSUED BY THE PHILADELPHIA PEACE PLAN COMMITTEE

November 5, 1937

It is a matter for congratulation to this country that the forward-looking policies of our State Department under Secretary Cordell Hull are elevating the esteem in which our nation is held abroad. That the President wholeheartedly supports Secretary Hull is most creditable to our President.

Great Britain, France, and America cooperate in stabilizing the pound, the frank, and the dollar. Why should they not with equal success cooperate in removing the causes of war by respecting all treaty obligations? Sound suggestions as to procedure are to be found in a Resolution written by George Gray and adopted by the Second Continental Congress on June 24, 1776. It reads in part:

"RESCLVED: That all persons abiding within any of the United Colonies, and deriving protection from the laws of the same, owe allegiance to the said laws and are members of such Colony; and that all persons passing through, visiting, or making a temporary stay in any of the said Colonies, being entitled to the protection of the laws during the time of such passage, visitation, or temporary stay, owe, during the same time, allegiance thereto. --"

This section of the Resolution lays down a sound foreign policy on the basis of which all international disputes could be settled. The signatories of the Kellogg Pact and of the Nine Power Treaty should declare that no territorial gain or trade advantage secured by the presence of troops in the pay of any foreign government, or meddling citizens of foreign countries not willing to submit to citizenship or to abide by the laws of the country of residence (without recourse to the home country) within the country in which they pursue gainful occupation, would be recognized by any such signatory. Interferences such as that of the oil interests in Mexico must be made impossible through diplomatic channels if we would build up among the nations a relationship such as that which exists among the United States of America. What the people of the world want is Peace, not Peace at the price of national integrity, but Peace based on simple

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justice and the recognition of the rights of all people in all countries to "life, liberty and the pursuit of happiness."

In an address made at Bryn Mawr College in February of 1932 on the subject of the Oriental situation, Robert Gray Taylor stated his views on the crisis in the Far East as it appeared at the time. In pointing out the extent to which the United States was responsible for that crisis, he made the following statements:

- (1) That the Japanese policy in Manchuria has been largely copied from our policies in Latin America;
- (2) That the main cause of disagreement between Japan and the United States is the discrimination against the Japanese in our Immigration Laws;
- (3) That the United States, along with all the other signatories to the Nine Power Pact with the exception of China, has treated the pact as a scrap of paper;
- (4) That we should tell both China and Japan we will enter only into such agreements as recognize the territorial integrity of both and treaty rights freely entered into by both;
- (5) That all nations should withdraw all troops from Chinese territory;
- (6) That all nations should let their nationals travel abroad at their own risk;
- (7) That Congress should have ratified the Geneva conventions forbidding shipments of contraband of war to belligerents."

Secretary Stimson finally took the general position outlined above except as to the Discrimination Clause. Since that time, it is not possible justly to accuse us of treating the Nine Power Treaty as a scrap of paper. England and France did not uphold us but failed to reafirm the Nine Power Treaty in Manchukuo. Fear that they will do the same again does not relieve us of our treaty obligations.

In an Armistice Day address delivered at the American Legion banquet at Kane, Pennsylvania, in 1933, Robert Gray Taylor argued against the boycott of German Goods on the ground that the reasons which had brought the Hitler regime into power in Germany were primarily our own failure to secure the inclusion of President Wilson's Fourteen Points in the Treaty of Versailles and the attitude of our own and other countries toward Germany since the war. He reminded that the use of boycott and economic sanctions as weapons would only tend to drive the more liberal German into the arms of Hitler. He believes that, if used against Germany today, boycott is going to hurt (1)

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the Social Democrats and Communists and other economically helpless people not in sympathy with the German Government, and (2) the Jews, who will, however, be saved from starvation by organized foreign relief. The boycott is a great contribution from the outside world towards cementing the power of the Nazis within Germany. If it should succeed in overthrowing the Hitler regime, it can only result in further bitterness and disappointment which will poison the German people for years. In every country it is possible to find groups that are suffering from political, religious, or racial intolerance, and if we wish to be indignant about such injustices, it is well to begin with indignation against injustices within our own borders.

We are opposed to the application of the boycott against Japan because we believe it will work just as badly as it has in its application to Germany. Both organized labor groups and some other groups are proposing it in the belief they are helping Chinese labor. It may be true, but they are also trying to hurt the simple people in Japan; they are aiding the Military Dictatorship in Japan for the same reasons as those applying in Germany's case. England has been wiser than America in this matter. She has officially rejected boycott. The net result will obviously be that the Japanese will prefer to trade with England. Besides, as long as the discrimination clause exists in the Immigration Law--in which President Moover and Senator Borah have admitted we were wrong--we can hardly expect Japan to listen to our counsel in the matter of the Japanese treaty obligations under the Nine Power and the Kellogg Pacts.

We agree with Levinson in his suggestion that, inasmuch as our President has prejudged the case before the Nine Power signatories, the best available machinery for settlement will be found at the Conference Table with signatories of the Kellogg Pact. Perhaps an agreement on the part of China to accept an absorbable number of Japanese emigrants each year for ten years on condition that they be suitable subjects for naturalization and willing to be naturalized will relieve the over-population in Japan. It is the conceded right of China to refuse to admit any national of any other country for

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gainful occupation within China, provided such citizen is unwilling to become a loyal Chinese citizen. Since China and Japan reciprocally accuse each other of having violated treaty obligations, it would seem that both might be called to the Kellogg Pact Conference Table and asked to find an agreement fair to both and as satisfactory as possible to each.

The United States wants free competition in trade. We do not want to find ourselves fettered and cut off from half the world by our refusal to recognize the control of the aggressor in such territories as Ethiopia and Manchukuo, Mowever, if we could unite with England, France, Russia, Latin-America, and all other willing countries in the refusal to recognize any territorial acquisitions achieved by military aggression, such exploitation would become increasingly difficult.

Whether or n.t we recognize Ethiopia as Italian does not matter to Italy, but matters very much to us. If, like England and France, we were led by interests merely national and economical, it would be our only course to recognize Ethiopia as Italian. However, since, as the President says, the first concern of the United States is the establishment of world peace, it is necessary that we gain the cooperation of the other powers in discouraging all forms of aggression and interference in the relationships of the world's nations.

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# SUPPLEMENTARY STATEMENT ON THE VENEZUELAN DISPUTE AND LATIN-AMERICAN RELATIONS

It is our contention that there is strength in a forthright statement of policy looking towards no recognition of any territorial aggrandisement resulting from the presence of the troops of one country in another, and in violation of the Kellogg Pact, we submit as sound precedent the Venezuelan dispute of 1895. At that time, Richard Olney, Secretary of State, stated that no settlement of the Venezuelan dispute would be satisfactory to this Government unless arrived at by arbitration. The result was a settlement satisfactory to Venezuela, acceptable to Britain, approved by the United States Government and by the moral conscience of the world. Unfortunately, the policy of our Government towards Latin-America changed on a wave of nationalism following the Venezuelan incident. Between 1897 and 1927, with the exception of the first two years of Wilson's Administration, imperialism and dollar diplomacy dominated our Latin-America relations.

Americans should realize that Japan's policy in China is a replica of our policy toward Latin America in the years before Dwight Morrow was sent to Mexico in 1928 by Calvin Coolidge. A series of diplomatic moves following that a pointment and culminating in the recent Montevideo Conference has served to change completely the attitudes of Anglo-America and Latin-America towards each other. We hope that the Japanese and Chinese Governments will see that the two Americas, after years of travail, have found a "more excellent way" to peace, fellowship and mutual understanding. This change is largely the result of adherence to the principle laid down by George Gray in a Resolution quoted above. We commend the spirit and letter of the Resolution to the governments of the world, in the hope that is use will tend to strengthen the solemnity of treaties such as the Kellogg Pact and the Kine Power Treaty.

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### TELEGRAM RECEIVED

Shanghai via N. R.

FROMDEGEMber 30, 1937

Rec'd 12:48 p.m

ACTION: OPNAVINFO: CINCAF

COPIES SENT TO

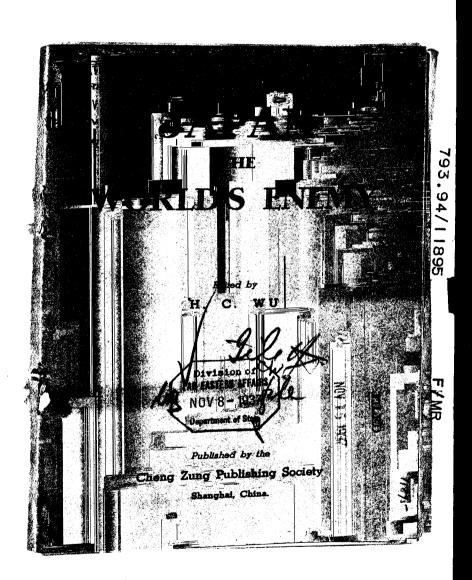
2030. From Astalusna, Shanghai. Lotensong, chairman Rehabilitation Committee cooperating with Japanese in Shanghai, was assassinated this afternoon in French Concession. 2008.

CSB

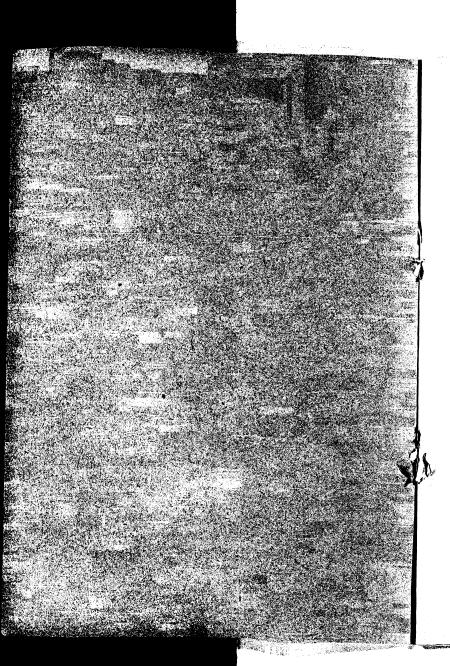
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Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-75



DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustaffy NARS, Date 12-18-75



# Japan—The International Culprit Urgent Need For Coordinated International Action Against Common Foe.

Since her invasion of Mukden on September 18, 1931, Japan has not ceased to undermine the territorial integrity and sovereignty of China. These aggressions culminated in her forcible seizure of North China, invasion of Shanghai, and bombing of other important Chinese cities with her ruthless airforce. China has been compelled to rise in self-defense, while Japan has shown utter disregard for the Nine-Power Treaty, the Briand-Kellogg Peace Pact, and the Covenant of the League of Nations, thereby endangering the peace of the world.

Her present use of the Shanghai International Settlement as a base of military operations and her illegal blockade of the Chinese coast are in violation of international law and justice. Therefore, China's resistance aims not solely to protect her own sovereignty and independence but also to uphold international law and justice in order to preserve the lasting peace and collective security of the world.

Ever since the day Japan used armed aggression against China, she has been bent on a systematic and deliberate destruction of our cultural institutions, For example, by the bombing of the Shanghai Oriental Library, by the destruction of Nan-kai, Tung-chi, Fuh-tan, and Chi-nan Universities. At the same time, Japan has wantonly attacked Chinese

In short, Japan's ruthlessness makes her not only an enemy of China but also a common foe of all nations; and therefore no effort should be spared to uphold international law and to safeguard collective security. This matter should not be lightly passed over, nor should Japan's challenge be allowed to go unheeded.

War in itself is cruel; but even in warfare, international law binds the combatants to observe certain rules. How much more so are non-combatants entitled to be treated with humaneness! In China, however, Japan has totally dis-



Member of Red Cross Relief Corps Wounded by Japanese While on Duty.

Burning of American and British-Owned Factories in Pootung After Japanese air Raid.



regarded these enlightened practices, as may be seen from the incidents herein listed:

August 17-Japanese aeroplanes bombed the American Missionary Hospital in Nantungchow. Six bombs were dropped killing one woman doctor, one assistant, thirty the hospital there were no factories, aerodromes or any places of a military nature.

August 19—Japanese aeroplanes bombed the Tung Nan Hospital belonging to the 2nd Relief Corps of the Shanghai Red Cross Association, killing four persons including the head of the unit. The hospital was clearly marked with the Red Cross insignia, while the victims also carried emblems of the same organization on their person.

On the same day the 3rd Relief Corps of the Shanghai Red Cross Association was bombed. Six persons, including the head of the unit, were killed.

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August 23—Two Japanese aeroplanes bombed Sincere Company, Limited, a department store located on a busy intersection of Nanking Road, principal thoroughfare in Shanghai's International Settlement. The explosion killed over a hundred and wounded five hundred persons, mostly women and children. Parts of the Sincere Co. and Wing On Company, another department store directly opposite, as well as other shops in the vicinity were badly damaged.

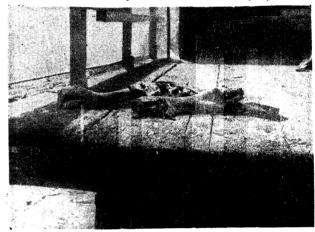
At 4 p.m. on the same day, forty members of an ambulance corps of the Shanghai Red Cross Association, in the midst of their mission of mercy, were surrounded by a group of Japanese soldiers. After tearing off their Red



Scene in front of Sincere Company, Ltd. Department Store on Nanking Road in the International Settlement.

— 4 —

Hands Picked up in front of Sincere Company.



Cross insignia, the soldiers forced them to kneel and then shot at them. One doctor and six assistants were killed. Even the wounded soldiers whom they had gone to rescue, were not spared. A nurse, Miss Chen Siu-fang, who managed to escape at the time, later succumbed to her wounds.

1 1895

August 24—Chao Wei-chih, a Boy Scout of the Shanghai City Government, reported that his 70-year old mother had been tied and burned to death in the courtyard of their home in Lotien at 6 o'clock that evening. Many other innocent civilians were done to death at the same time.

August 26—On the Shanghai-Nanking Highway, Japanese airmen machine-gunned and seriously wounded the British Ambassador, Sir Hughe Knatchbull Hugessen.

The Baldwin Girl's School in Nanchang was made a target by Japanese aeroplanes on the same day, causing over 300 casualties.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, due letter, NARS, Date 12-18-75

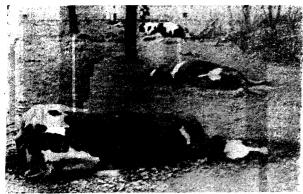
August 26—Between 3 and 6 a.m. the city of Nanking was subjected to an air-raid by Japanese aeroplanes. Some 500 houses were destroyed by fire or bombs. Again there were several hundred casualties among non-combatants.

Augusst 28—Japanese aeroplanes bombed the Shanghai South Kailway Station which was thronged with Chinese refugees waiting for outgoing trains. Two hundred were killed and 500 wounded. Indeed, no words are adequate to describe the horrible scene of carnage or the cries of the wounded.

September 5—At 7 a.m. fifteen Japanese aeroplanes raided the western districts of Shanghai in the vicinity of Brenan Road and Peishingching casualties amounted to 60 or 70 dead and about 300 wounded.

At ten o'clock that same morning, a refugee camp at Chenkadoo in the same district was bombed, dealing death and injury to over 200.

September 8—Japanese airmen bombed a train at Sungkiang crowded with refugees, as it was waiting to pull away



More than 200 blooded milk cows belonging to an American dairy, located at Kiangwan, were bombed and killed and the buildings destroyed by Japanese air-bombers. There were no Chinese soldiers on the premises.

from Shanghai. The result of the massacre was about 700 dead and wounded.

Sept. 22. A mighty armada of 50 Japanese planes subjected Nanking to a terrific air raid this morning as the first step in carrying out their threat to destroy the Chinese capital. An average of two or three heavy bombs of 250 kilograms in weight, were dropped over 30 different places, including the South City, the most densely populated section of the capital, and the new residential district, where the American, Italian and German Embassies are located and where the residences of practically the entire local foreign population are situated.

It is believed that more than 100 refugees were killed when bombs landed on a camp at Hsiakwan, Nanking's waterfront. The site of the camp presented a gruesome spectacle when visited after the raid, with the twisted remains of the victims scattered over a wide area. The matsheds housing the thousands of refugees, which were set alight by the bombs, were still burning. The smoke of the flames, rising in huge columns into the sky, was visible for miles round.

Sept. 23. Japanese planes subjected Canton to air raids this morning. Reuter's correspondent made a personal tour today of the areas devastated by bombs. He estimates that several thousand persons must have been killed or maimed. Some of the scenes of the bombing beggar description: they resemble gigantic abattoirs with gaps 50 yards wide torn into rows of dwellings, with scattered human remains protruding from the debris. A grim-faced Chinese gentleman raises a piece of matting and displays to Reuter's correspondent, a mass of mangled remnants, saying simp'y: "This was my wife". Elsewhere unhappy relatives bewail their lost ones, while hundreds of frantic children are roaming the streets

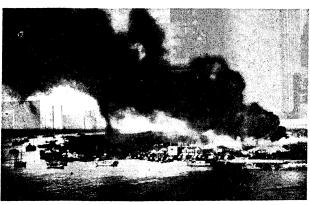
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, Sustain NARS, Date 12-18-75

seeking their parents. A children's school was completely demolished in Tungshan, the eastern suburb of Canton.

Foreign observers are puzzled over the nature of Japanese objectives, as not one Government building or military establishment was hit.

Aside from the above-mentioned examples of deliberate destruction of cultural institutions, daily bombing raids on Pootung, Nantao, and other cities along the Nanking-Shanghai and Shanghai-Hangchow Railway, as well as the machinegun attacks on non-combatants, the Japanese have indulged in count'ess other brutal acts completely devoid of any military value.

How fraught with danger to the collective existence and security of nations are a ruthless people equipped with modern war machinery! In face of this menace we are compelled to take up arms and are prepared to shed our blood to uphold justice and humanity, so that deprayed Japanese



Tragic Scene on Wangpoo River where refugees in Native Junks were Bombed. Many who Escaped Bombs were Drowned.

Chinese Civilian Wounded at Shanghai South Station bombing.



militarists will ultimately be brought to their senses, and the Japanese people themselves may be liberated from mental slavery. In so doing we shall be teaching the militarists a lesson as well as punishing a common foe for the world, at the same time making them realize that morality cannot be set at naught nor justice scorned. This underlies the meaning of our present armed resistance.

We hope that neither China nor Japan will find it necessary to take up arms against each other again in the future. Indeed, it is unfortunate that the present controversy cannot be adjusted other than by resorting to arms. Since our motive in doing so is to free the Japanese people from military oppression, we firmly believe that after it has been removed, the people of both countries will cooperate with each other for the maintenance of unquestioned peace in the Orient. At the same time other countries will have been rid of a serious menace. We pledge ourselves to fulfill this duty.

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. Dustain NARS, Date 12-18-75

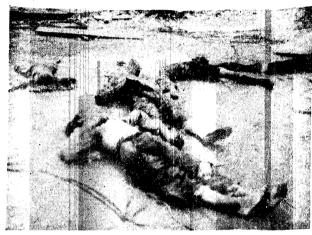


Destruction of Densely Populated District in Nantao, Near Shanghai South Station.



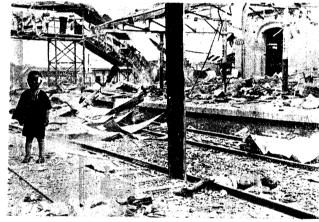
The Japanese Areoplanes Killed the innocent during Bombardments of Nantao.





Bodies of Chinese refugees.

After Shanghai South Station bombing.



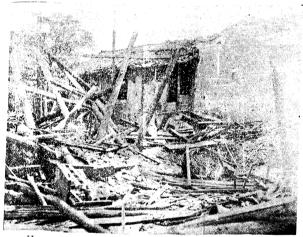
This child has now become an orphan, because his parents were Killed while the Japanese areoplanes bombed the South Station of the Shanghai-Hangchow Railway at Shanghai.

793.94/11895

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton 0, Dueles NARS, Date 12-18-75

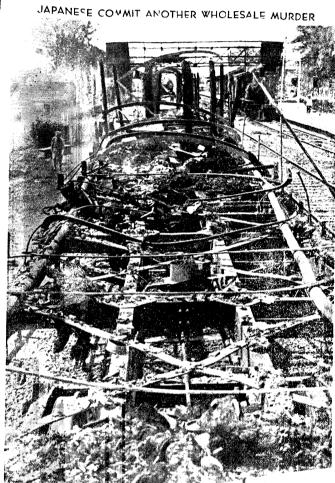


Civilian homes near Lung Hwa Pagoda, Shanghai, bombed by Japanese Areoplanes.



Houses in Peishingching Destroyed by Japanese Planes.

— 12 —



The Bombing of the Hangchow-bo-nd train at Sungkiang which killed more than Seven hundred refugees. No Chinese soldiers were in the vicinity that day.

- 13 -

793.94/11895



Grim proof of Japanese slanghtering of non-combatants. A victim of the bombing at the Sungliang Railway Station.

— 14 —



Building of Fuh-Tan University Campus Demolished by Japanese Bombs. Proof of Japan's Deliberate Destruction of our Cultural Institutions.



American supported Nankai University wrecked by Nipponese aerial attacks in July. Picture shows remains of the University Library after the three-day bombing and shelling.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. Sustefam NARS, Date 12-18-75

Shanghai, China, Sept. 25, 1937.

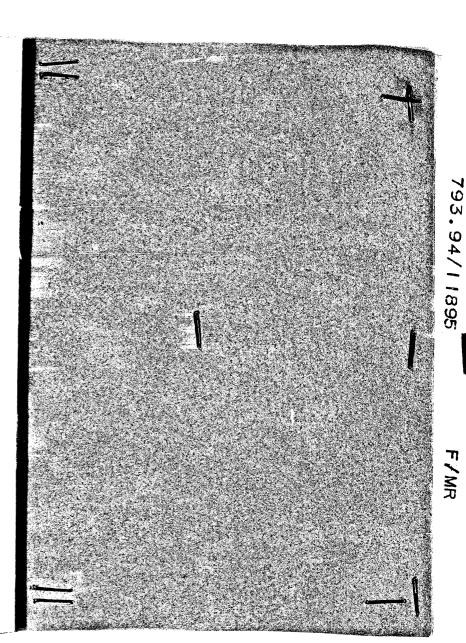
#### TO OUR FOREIGN FRIENDS:

Japan's inhumane deeds make her not only China's enemy but an international foe. Fear of possible entanglements in the present Sino-Japanese conflict should not prevent nations from offering friendly interference in order to avert another serious international imbroglio. If Japan's insolence remains unchecked, all you friendly nations will suffer China's fate of seeing your civilians brutally murdered.

Civilized nations adhere to the policy of mutual respect but in China today, Japan's unjust invasion, should serve as a material warning to peace-loving nations. Therefore, if you would have security you should cooperate to crush Japan's arrogance in order to make world peace a reality.

For your own sake or for the sake of others, concerted action should not be delayed.

H. C. Wu.



DEPARTMENT OF STATE LOCAL 15 1937 Memorandum of Conversation

DATE: December 11, 1937.

SUBJECT: The situation in the Far East.

Copies sent to Perpins

PARTICIPANTS: Dr. Hu Shih;

Mr. Hamilton.

COPIES TO:

SSTANT SECRETARY OF STA DEC 1 5 1937 MR. WILSO

DEC 14 1937 JAN 5 - 1938 DATIONS AND THE

Dr. Hu Shih, the eminent Chinese philosopher who was received by the Secretary and by the President some weeks ago, called on me this morning at his request. He said that he was very much concerned as to what he should report back to China, on the question whether any new development might be expected in the international situation which would be of benefit to China. He commented at length in regard to this matter and when he asked me for my views I said that I could not undertake to answer his query. I said, however, that so far as the United States was concerned there was nothing new on that subject.

Dr. Hu Shih said that in traveling about the United States and discussing the Far Eastern situation with representative Americans, he often was asked the question as to

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why

- 2 -

why the American Government either singly or in cooperation with the British Government could not mediate. He said that he replied to such questions by stating that in his opinion there were very real difficulties which the average person did not appreciate; that in any mediation there would almost certainly come up the question of China's recognition of "Manchukuo" and of other matters not consistent with principles to which the American Government and the American people were committed; that if the American Government undertook to mediate and as a result of that mediation China accepted harsh terms some of which would be repugnant to the concepts and beliefs of the American people, the American people would severely criticize the Government. He said that the foreign powers could adopt a policy of non-recognition in regard to "Manchukuo" and could rest on that declaration of policy. He said that such a course was not possible for China; that China had to deal with Japan in countless ways every day; that as a result of China's unwillingness to recognize "Manchukuo" there had ensued constant friction between China and Japan, and Japan had made constant incursions of one sort or another into north China. (Comment: In view of this statement by Dr. Hu Shih, the question arises whether the non-recognition doctrine as applied to "Manchukuo" represents a service or a disservice to China.)

Dr. Hu Shih

- 3 -

Dr. Hu Shih said that China had already twice declined offers of mediation put forth by the German Ambassador to China. He said that the first such offer had been made during the early days of the Brussels Conference and the second was made during the recent visit of the German Ambassador to Nanking. Dr. Hu Shih referred to a statement made by the American or the British delegate to the Brussels Conference to the effect that a settlement must be reached between China and Japan which would be in accordance with commonly accepted principles of justice among mankind. He asked how that was possible in the present situation. He said that if China could not look for mediation on the part of countries like the United States and Great Britain, what was there left for China to do. I told him that I wished that I could answer his questions but that I could not do so.

H'W. K.

FE:MMH:EJL

FE

#### DEPARTMENT OF STATE

#### Memorandum of Conversation

DATE: December 13, 1937

RTMENT OF STATE RECEIVED JAN 5 - 1938 SUBJEC DIVISION OF MUNICATIONS AND PARTICIPANTS:

The Chinese Ambassador, Dr. C. T. Wang

Mr. Hornbeck.

COPIES TO:

793.94

Copies sent to Perfring, Tokyo henden, Paris & Reme FAR EASTERN AFFAIRS

On the evening of December 11 the Chinese Embassy called me on the telephone and asked for an appointment for the Ambassador. I made an appointment for yesterday afternoon, Sunday, December 12 -- so that before seeing the Ambassador I would have reported at the Department.

I reported at the Department yesterday morning.

When we met yesterday afternoon the Ambassador had with him Dr. Hu Shih. The Ambassador asked for news of the Brussels Conference. I gave a brief account of the Conference and we exchanged some comments -- especially on the work of the Chinese Delegation.

The Ambassador said that he was very anxious to know what would be henceforth the attitude and what might be the action of the United States. I said that

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- 2 -

I was unable to make forecasts; that any observer might make his own estimates of possibilities; and that in all probability the Ambassador and Dr. Hu, having been here during recent weeks and having doubtless followed developments very closely, would be able to answer the question which was in the Ambassador's mind just as accurately as might I -- if not more so: courses of action would depend in considerable part upon developments in the Far East and developments here and elsewhere. I then inquired what effect the most recent developments at Nanking would have on the situation in China. The Ambassador replied promptly and emphatically that China would continue to fight.

Dr. Hu said that public opinion in this country was developing in a manner more and more sympathetic toward China and indicative of awareness that the situation in China presents a problem of concern to all nations. He cited, in evidence, recent editorial opinion, in particular that of the New York Times and the Christian Science Monitor.

Dr. Hu then left to go to the train.

The Ambassador said that he was very anxious to have some indication of the probable trend of American official action. I said that I could give him nothing on that point, repeating that I could not make forecasts and that each observer could make his own estimates of possibilities.

- 3 -

possibilities. The Ambassador said that he wanted to be able to report to Chiang Kai-shek something of an encouraging nature. I said that it seemed to me that a careful examination of the record of the Brussels Conference, on which I had no doubt but that the Chinese Delegation at that Conference had reported fully, ought to give the Chinese considerable encouragement. I made reference especially to the declarations made by the Conference, in particular the declaration of November 24; and I mentioned the considerate and sympathetic attitude of nearly all of the other delegations toward the Chinese Delegation. The Ambassador said that the Chinese appreciated all those things and that they especially appreciated the attitude of the American Government and the American Delegation. I then took occasion to remind the Ambassador of an observation which I had made to him some weeks ago, to the general effect that the Chinese should formulate their policies and determine their courses of action on the basis of an assumption that no form of positive assistance would be forthcoming from any other country; by doing that they would put themselves on solid ground; if, contrary to that assumption, assistance should prove to be forthcoming from any other country or countries, China would gain just that much thereby; but,

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if China assumed that assistance would be forthcoming and then the assumption was proven to be unfounded, China would be just that much the worse off for having made and having proceeded upon such an assumption. The Ambassador said that he remembered my having given him that hint. I said that I continued to feel that it would be to China's advantage to shape her course with such a thought in mind; that, in fact, I felt that every country might to advantage shape its courses on the basis of such a principle.

The Ambassador said that if at any time I could give him an indication of this Government's intentions he would welcome my doing so. I said that in my opinion the only persons who could appropriately give indications of our intentions would be the President and the Secretary of State; but that I might suggest that the Ambassador and his staff watch and study closely the trend of and developments in public opinion.

SIXIT

PA/H:SKH:ZMK

## TELEGRAM RECEIVED

JR

CINCAF FROM

December 30, 1937

Rec'd 2:20 p.m.

ACTION: OPMAV

INFO:

SECOND BRIGADE USMC COMSUBRON FIVE COMDESSON FIVE

COMPANGPAT
AMBASSADOR CHINA
USS MARBLEHEAD
ALUSNA PEIPING

CINCAF

COPIES SENT TO

VDivision of TAR EASTERN AFFAIRS

LM.I.D.

193.94

Ol30. Canton raided at noon, bombs dropped north south and East of city. Ten BLP and two FLP sighted. Other South China ports quiet. 2000.

CSB

793.94/11898

793.94

#### **DOCUMENT FILE**

#### NOTE

SEE	793.94118/88	FORT	elegram #120. 4	DIN .
	•			
		Hanko	W	
FROM	China	( Johnson, at ) DATE	Dec. 29,	1937
FC		NAME	11197	680

REGARDING: Sino-Japanese conflict: Military Attache has attempted to maintain friendly contact with Chinese military command and armed forces in the field. These efforts have failed, and Chinese War Ministry has no connection with any armies in the field, thereby showing now discrimination in this respect.

MR ≥

38

# DOCUMENT FILE

#### NOTE

FROM France (Bullitt ) DATED Dec. 29, 1937

TO NAME 1-1127 470

REGARDING: Sino-Japanese conflict: Subsidiary in Japan of am American automobile firm has subscribed one million yen to the bond issue floated on the occasion of the events in China. This subscription has been made in consideration of benefits realized by company during years in Japan, and has no political significance; according to newspaper article. Requests information regarding truth of the report.

**⊤** / **M** 

793.94/11900

11900

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FE

CA

A portion of this telegram must be closely paraphrased before being communicated to anyone (B)

PARIS
Dated Dec. 29, 1937
Recd 5:45 p.m.

700t, 9 4 193. Secretary of State,

Washington.

1785, December 29, 6 p.m.

(CRAY) A newspaper published this morning an article to the effect that by the intermediary of a Japanese bank the subsidiary in Japan of a large American automobile firm has just subscribed 1,000,000 yen to the bond issue floated on the occasion of the events in China. The director of this subsidiary, an American citizen, declared to NICHI-NICHI that this subscription had been made in consideration of the benefits realized by the company during long years in Japan and that it had no political significance. (END GRAY)

COMPIDENTIAL. I am informed by the Havas bureau here that this article is based upon a telegram from the Havas correspondent in Tokyo and that the company in question is the Ford subsidiary there.

I would appreciate being informed as to whether this report is true.

BULLI TT

RGC ELLB

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DEPARTMENT OF STATE

PAR EASTERN AFFAIRS P

DIVISION OF FAR EASTERN AFFAIRS

B. Mr. Secretary:

DEC 27 1937

November 23, 1937.

In view of the statement attributed to Senator Pittman in this morning's <u>Washington Herald</u> to the effect that the American Government should not protest any Japanese act at Shanghai unless it violates some rights assured us in our agreements with China, and in view of numerous statements in the press in regard to action which the Japanese desire to have taken at Shanghai on matters such as (1) anti-Japanese agitation, (2) functioning of Chinese Government offices in the International Settlement, and (3) the presence of leading Chinese in the International Settlement and in the French Concession. I suggest that it might be useful for you at the press conference today to make a statement for background somewhat as follows:

As indicated in my statement of August 23, the situation at Shanghai is in many respects unique.

Shanghai is a great cosmopolitan center, with a population of over three million, a port which has been developed by the nationals of many countries, at which there have prevailed mutually advantageous contacts of all types and varieties between and among the Chinese

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and people of almost all other countries of the world. At Shanghai, there exists a multiplicity of rights and interests which are of inevitable concern to many countries, including the United States.

The city of Shanghai is divided into three separately governed areas, namely: the International Settlement governed by an elected Council; the French Concession under French control; and the Municipality of Greater Shanghai under Chinese control. The American Government has a direct interest in the International Settlement by virtue of the fact that the Shanghai Land Regulations, under which the International Settlement is governed, were originally negotiated by the foreign consuls (including the consular representative of the United States) and local Chinese authorities at Shanghai; these Regulations were subsequently approved by the Diplomatic Body in China (including the Minister of the United States) and by the Chinese Government. As I have said, the International Settlement is administered by a Municipal Council. This Council is elected by the local taxpayers and is of international personnel. Authority and responsibility for administering the International Settlement lies in first instance and primarily with the Municipal Council. Consequently, matters affecting the administration of the International Settlement

- 3 -

Settlement are handled primarily by the Municipal
Council. In some instances the Municipal Council refers
matters to the consuls at Shanghai of the interested
foreign governments. As a result of consultation and
cooperation between the International Settlement authorities and the foreign consuls, practically all problems
which arise at Shanghai are adjusted locally. In some
cases, the consular representatives refer matters to
their respective governments for consideration but in
the great majority of instances questions presented are
worked out locally at Shanghai.

FE:MMH:ZMK

# TELEGRAM RECEIVED

JR

COMYANGPAT FROM

December 30, 1937

Rec'd 2:03 p.m.

ACTION: OPNAV

INFO:

SECOND BRIGADE USMC COMYANGP**TZE** COMSUBRON FIVE COMDESRON FIVE CINCAF

COMSOPAT AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

793.94

0030. Yangtze river ports quiet. One hundred fifty-Eight United States nationals evacuated to Hong Kong from Hankow via International train today. 2000.

CSB

Division of AH EASTERN/AFFAIRS

DEC 3/1

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## TELEGRAM RECEIVED

EDA

COMSOPAT

FROM

December 30, 1937

Received 9:15 p.m.

OPNAV WAS INGTON
INFORMATION 2ND BRIGADE USMC
COMSUBRON FIVE
COMDESTON FIVE CINCAF COMYANGPAT AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

Division of AH EASTERN AFFAIRS

713.94

0130 Canton raided at noon bombs dropped north south and East of city. Ten BLP and two FLP sighted. Other South China ports quiet 2000.

npl; mb

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h.

EDA

1-188

USS MARBLEHEAD

FROM

December 30, 1937

Received 10 55 p.m.

ACTION CINCAF
INFO: 2ND BRIGADE
COMMANGPAT
COMMONAT

CONSOPAT CPNAV ALUSNA :PEI PI NG COPIES SENT TO O.N.L. AND M.I.D.

Division of FAR EASTERN AFFAIRS
DEC 3.1 1937

1031 Tsingtao police force evacuated. Some looting Japanese property in progress. Rumored Mayor Shen has left city. Scattered fires burning. European volunteer police force instituted. City otherwise quiet 0955.

NPL:EMB

193,94

VM 1 - 1038

793.94/11904

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JR

SECOND BRIGADE USMC

FROM December 30, 1937

Rec'd 3:10 p.m.

ACTION: CINCAF OPNAV

INFO: AMCON SHANGHAI

COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

COMSOPAT

AMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING Division of FAM EASTERN AFT MAS DEC 3 1937

793.94

8630. Japanese meeting vigorous resistance vicinity
Tsaoki and Tunglu south and southwest Hangchow. Hsuchow
Nanchang Sian bombed today. Nipponese claim large numbers
Chinese troops observed retreating southward from Tsingtao.
1842.

CSB

F/FQ

793.94/11905

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LMS

PLAIN

Taingtao via N. R.

Dated December 31, 1937

Rec'd 7:56 p. m., 30th

AMEMBASSY, HANKO'V AMEMBASSY, PEIPING

Secretary of State,

Washington.

PRIORITY. 193.94

Thirty-first, 6:45 a. m.

Just reported all police have gone. Looting now taking place.

SOKOBIN

NPL:EMB

793.94/11906

F/FG

U

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Milton D. Dustalen NARS, Date 12-18-75 Milton D.

1

Becember 37 1937 1

### CONFIDENTIAL - FOR STAFF USE ONLY

No. 52

The Honorable

Nelson T. Johnson,

American Ambassador,

Peiping.

Sirs

Referring to the Department's instruction no. 515 of December 13, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation. Sincerely yours,

Gordell Hull

## Englosures

Memorandum of conversation, December 7, 1937, between the Secretary of State and

the Chinese Ambassador.

2. Memorandum of conversation,
December 8, 1937, between
the British Ambassador and
the Under Secretary of State.

5. Memorandum of conversation, December 11, 1937, between Dr. Hu Shih and Mr. Hamilton.

4. Memorandum of conversation, December 13, 1937, between the Chinese Ambassador and Mr. Hornbeck.

SIT. HOTHDECK.

5. Nemorandum of conversation, December 14, 1937, between Sir Alexander M. G. Cadogan sind Mr. Hornbeck.

6. Aide-memoire from British Embassy, December 16, 1987.

7. Aide-memoire to Eritish Embassy, December 18, 1937.

Copy to Ambassador, Hankow. FE 2504 HES 12-23



December 27 1937

## CONFIDENTIAL - FOR STAFF USE ONLY

The Honorable

Joseph C. Grew,

American Ambassador,

Tokyo.

Sirt

Referring to the Department's instruction no. 1592 of December 13, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation.

Sincerely yours,

Cordell Hull

143.94

#### Enclosures:

1. Memorandum of conversation, December 7, 1937, between the Secretary of State and the Chinese Ambassador.

2. Memorandum of conversation, December 8, 1937, between the Eritish Ambassador and the Under Secretary of State.

3. Memorandum of conversation, December 11, 1937, between Dr. Hu Shih and Mr. Hamilton.

Memorandum of conversation, December 13, 1937, between the Chinese Ambassador and

the Chinese Ambassador and Mr. Hornbeck.

5. Memorandum of conversation, December 14, 1937, between Sir Alexander M. G. Cadogan and Mr. Hornbeck.

6. Aide-memoire from British Embassy, December 16, 1937.

7. Aide-memoire to British Embassy, December 18, 1937.

Embassy, December 18, 1937. DEC 27 1937.PMg.C., FE:EGC:HES

12-23

793.94/11906B/

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0, Sustain NARS, Date 12-18-75

December 27 1937

## CONFIDENTIAL - FOR STAFF USE ONLY

No. 2075

Herschel V, Johnson, Esquire,

American Charge d'Affaires ad interim, London.

81r:

Referring to the Department's instruction no. 2061 of December 13, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation. Sincerely yours,

Cordell Hull

## Enclosures:

- 1. Memorandum of conversation, December 7, 1937, between the Secretary of State and the Chinese Ambassador.
- 2. Memorandum of conversation, December 8, 1937, between the British Ambassador and the Under Secretary of State. 3. Memorandum of conversation,
- December 11, 1937, between Dr. Hu Shih and Mr. Hamilton.

  4. Memorandum of conversation, December 13, 1937, between the Chinese Ambassador and Mr. Hornbeck.
- 5. Memorandum of conversation, 5. Memorandum of conversation,
  December 14, 1937, between
  Sir Alexander M. G. Cadogan
  and Mr. Hornbeek.
  6. Aide-memoire from British
  Embassy, December 16, 1937.
  7. Aide-memoire to British
  December 10, 1027

Embassy, December 18, 1937.

FE EC:HES

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, Sucretain NARS, Date 12-18-75

December 27 1937

# CONFIDENTIAL - FOR STAFF USE ONLY

The Honorable

William C. Bullitt,

American Ambassador,

Paris.

Siri

Referring to the Department's instruction no. 572 of December 13, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation.

Sincerely yours.

Cordell Hull

#### Enclosures:

1. Memorandum of conversation, December 7, 1937, between the Secretary of State and the Chinese Ambassador.

2. Memorandum of conversation, December 8, 1937, between the British Ambassador and the Under Secretary of State.

 Memorandum of conversation, December 11, 1937, between Dr. Hu Shih and Mr. Hamilton.

4. Memorandum of conversation, December 13, 1937, between the Chinese Ambassador and

Mr. Hornbeck.

5. Memorandum of conversation,
December 14, 1937, between
Sir Alexander M. G. Cadogan
and Mr. Hornbeck.

6. Aide-memoire from British
Franker December 14, 1937

DEC 27 1937. PW. Alde-memoire to British

Embassy, December 18, 1937. 12-23

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. Sur lefter NARS, Date 12-18-75

Becember 27 1937

### CONFIDENTIAL - FOR STAFF USE ONLY

The Henorable

William Phillips,

American Ambassador.

Rome.

Sir:

Referring to the Department's instruction no. 226 of December 13, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation.

Sincerely yours,

Cordell Hull

## Enclosures:

1. Memorandum of conversation, December 7, 1937, between the Secretary of State and the Chinese Ambassador.

2. Memorandum of conversation, December 3, 1937, between the British Ambassador and the Under Secretary of State.

3. Memorandum of conversation, December 11, 1937, between Dr. Hu Shih and Mr. Hamilton.

4. Memorandum of conversation, December 13, 1937, between the Chinese Ambassador and Mr. Hornbeck.

5. Memorandum of conversation, December 14, 1937, between Sir Alexander M. G. Cadogan and Mr. Hornbeck. 6. Aide-memoire from British

Embassy, December 16, 1937. 7. Aide-momoire to British

OR 4/1 Embassy, December 18, 1937.

DEC 27 1937 PE QC. FE:ECC:HES





EDA.

A portion of this tele- FROM gram must be closely paraphrosed before being communicated to anyone (a)

CANTON VIA N.R.

Dated December 30, 1937

Division of

RECE**TO 1** 7:29 p.m.

Secretary of State

Washington

of puraphsase

DE DE

December 30, 5 p.m.

(GRAY) FROM ROBERTS FOR THE SECRETARY OF WAR.

"December 30, noon. Weather cool partly cloudy ceiling five thousand to unlimited. Eight medium navy bombing biplanes and two pursuit biplanes all of the same type used during the last raids on Nanking appeared from the north at altitude of five to six thousand in flights of four diamond formation, later separating by twosone behind the other. One flight turned west and flat bombed the Saichuen industrial area with six bombs, the other flight continued south and flat bombed the area of the Samshui Railway. Pursuit flew at varying altitudes and in various quarters. Damage unknown. Anti-aircraft fire from large calibre machine guns, and effective twenty millimeter guns and some seventy-fives

MB 39

This was the first raid in or close to the city

proper in several weeks since the raid on Honam in late

Shameen

November and the first time planes have flown over (\*)

(2) since the late September raids. People on the streets

paid

11

EDA - 2 - December 30, 5 p.m. from Canton

paid little attention to the raid signals and went about their business throughout the raid except when planes were actually overhead when there was a rush for doorways but as soon as the bombers were out of sight the streets were again filled with people. Traffic was not stopped although many cars temporarily pulled alongside the curbs. This city's casual attitude toward raids and air defense arrangements are in marked contrast to those (END GRAY) of Nanking. A very reliable source states that a number of British made Gloucester single seat biplane pursuits have been assembled locally and flown north. No planes (att) are based on Canton".

W/3/39

LINNELL

RGC:NPL

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, distribution NARS, Date 12-18-75

[CONFIDENTIAL]

## PARAPHRASE

A telegram of December 30, 1937, from the American Consulate General at Canton quotes a message for the Secretary of War from Roberts which reads substantially as follows:

December 30, noon. Weather cool, partly cloudy, calling five thousand to unlimited. Eight medium navy bombing biplanes and two pursuit biplanes all of the same type used during the last raids on Manking appeared from the north at altitude of five to six thousand in flights of four diamond formation, later separating by twos, one behind the other. One flight turned west and flat bombed the Saichuen industrial area with six bombs; the other flight continued south and flat bombed the area of the Samshui Railway. Pursuit flew at varying altitudes and in various quarters. Damage unknown.

Anti-aircraft fire from large calibre machine guns, twenty millimeter guns and some seventy-fives (?).

This was the first raid in or close to the city proper in several weeks since the raid on Honam in late November and the first time planes have flown over (?) (?) since the late September raids. People on the streets paid little attention to the raid signals and went about their business throughout the raid except when planes were actually overhead when there was a rush for doorways but as soon as the bombers were out

-2-

of sight the streets were again filled with people.

Traffic was not stopped although many cars temporarily pulled alongside the curbs. This city's casual attitude toward raids and air defense arrangements are in marked contrast to those of Nanking. There are no airplanes based (att) Canton. According to a very reliable source, a number of Gloucester single-seat biplane pursuits of British manufacture have been assembled in Canton and flown north.

£9.C. FE:ECC:HES 12-31 Ju FE

# DOCUMENT FILE NOTE

SEE	761,94/1005	FOR	Despatch #800	
	•		, , , , ,	
FROM		(Henderson) [	ATED December 7, 1937	•
го		NAME	1—11 <b>97</b> epo	

REGARDING: The attitude of the Soviet Government vis-a-vis the hostilities of the Orient.

he

793.94/ 11908

## DEPARTMENT OF STATE

# DIVISION OF FAR EASTERN AFFAIRS

November 19, 1937.

Mr. Yecretary:

Herewith in memorandum form a record of what our telegrams and the press show in reference to the question of the side-stepping by the League of Nations of the question of sanctions.

DEC 6 - 1937

NOTED

MMH:EJL

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. Sustain NARS, Date /2-/8-75

DEPARTMENT OF ST

MEMORANDUM

Division of FAR EASTERN AFFAIRS

DIVISION OF EUROPEAN AFF NEW COLD (State

RECEIVED

DEC 15 1937 DIVISION OF

793.94 193.94 adv. Committee

Under the League covenant, sanctiving and evally be enforced against a non-member state only in accordance with the provisions of Article XVII.

On September 9, Herschel Johnson was informed by Cadogan that the Chinese Ambassador in London had told him that China intended to appeal at the forthcoming session of the Council under Article XVII, from which great difficulties might arise. In accordance with that Article, Japan would have to be invited to accept the obligations of member in the League for the purposes of the dispute and, if Japan should refuse, the contingent obligations of Article XVI (sanctions) would arise. Cadogan had expressed to the Chinese Ambassador his strong personal disapproval of such a line of action, telling him that if the procedure of Article XVI were finally invoked it would raise the greatest practical difficulties for the British Government in its relations with Japan. (1)

On September 13, the Chinese delegate to the League, Dr. Koo, addressed a note to the Secretary General in which he included the following passage:

"In view of Japan's present relation to the League and her action in China, the Chinese

Government.

(1) London's 588, September 9, 10 p. m. N. S. S. S. S.

F/FQ

Government holds, without prejudice to the continuing validity and binding effect of all the decisions hitherto taken by the Assembly and Council in the Sino-Japanese conflict, that Article XVII of the Covenant is also applicable.

"In the name of my Government, I hereby invoke the application of Articles X, XI, and XVII of the Covenant and appeal to the Council to advise upon such means and take such action as may be appropriate and necessary for the situation under the said Articles."

In the <u>New York Times</u> of September 13, Clarence Streit pointed out that the long factual statement made in Geneva on the previous day by the Chinese delegate had nowhere contained the word "war", and added:

"This distinction seems to be welcomed by the Great Powers. They appear to be planning themselves to use the argument that there is only an 'incident' or 'situation' in the Far East, and not war, so as to avoid application of sanctions, which are only just around the corner by the procedure of Article XVII."

On September 16 Avenol told Harrison (telegram no. 302, September 16, 5 p.m.) that the purpose of convoking the Advisory Committee was to obviate the necessity of taking action on Koo's request of September 13 for the application of Article XVII of the Covenant. Avenol also told him confidentially that Eden, Delbos, and himself had pointed out to Koo the inescapable consequences of following through Article XVII, stressing the effect of a possible declaration of war and enforcement of the American Neutrality Act. Koo had therefore modified his demand, leaving the Council

three

three alternatives (Articles X, XI, and XVII). Avenol emphasized that the Council, in its decision, would avoid reference to Article XVII. Eden later told Harrison that he and Delbos had urged Koo not to insist on application of Article XVII.

In the <u>New York Times</u> of September 17, Mr. Streit discussed the reasons for referring the dispute to the Advisory Committee, as follows:

"One reason is that, if the United States fails to come, the League members will all the more desire the slower, looser, weaker procedure that recourse to this Committee permits.

"Another reason may be that they see in any American refusal to cooperate the best means of saving their own and the League's prestige by putting the responsibility for inaction on the United States.

"It would be possible for the Advisory Committee to invite Japan to appear before it without assuming the Covenant's obligations, as the invitation called for under Article XVII requires, therefore without the members incurring the sanctions obligation that a Japanese rejection of the invitation would involve. That is an example of the looser procedure the Committee allows."

On September 20 Eden, in a lengthy address to the Assembly, referred only incidentally to the Far Eastern situation and alluded in vague and general terms to the impotence of the League under present conditions.

On September 21 Bruce (Australia) declared that it was impractical for the League in its present condition to proceed under Article XVII, but that the importance

of Article XI (consultation) at the present juncture was clear and great. He declared that "even if" Article XVII were legally applicable, it raised the sanctions question in an area where "the League's membership would be most crippled" and hence "from a practical viewpoint" the League cannot, in its present condition, "proceed under Article XVII."

On September 22 the Chilean Ambassador told Harrison that his Government wished to maintain, if possible, its present important export trade with Japan in nitrates and copper.

In the New York Times of September 26 Mr. Streit wrote:

"The dominant influences in the League of Nations Assembly at its current session are the fear of a general war and the belief that it is nearer . . . This does not mean that there is any tendency to abandon the League or the possibility of the application later on of the coercive powers with which it is provided, but it does mean that there is great reluctance to attempt to enforce the Covenant while its success is prejudiced by aggressors, and everyone is gambling against it."

On September 27 Delbos told Harrison (telegram no. 9, September 27, 3 p.m.) that Koo, in conversation with him and Eden, had insisted on some positive action designed to restrict credits and exports of certain raw materials to Japan, but that they had persuaded Koo not to make such a demand.

On September 28 Koo assured Harrison (telegram no. 14, September 28,

September 28, 2 p.m.) that he did not seek imposition of sanctions, but that he desired: (1) recognition of Japanese aggression, (2) no assistance for Japan, and (3) assistance for China. Koo showed him a draft resolution which, after virtually naming Japan as aggressor, recommended (despite his disclaimer) that members of the League undertake (1) to prohibit the export or permit the transshipment of arms, munitions of war, and oil to Japan, as well as a list of raw materials including iron, steel, rubber, cotton, wool, motors, magnetos; (2) prohibit credits to Japan; and (3) facilitate the furnishing of such arms, materials, and credits to China.

On September 29 (Geneva's No. 16 of September 29, 10 p. m.) Cranbourne declared in a public session of the Advisory Committee:

"It would do no good, it would indeed do harm, if the Committee gave the impression that it contemplated action which it was not in fact able to carry out."

On October 1 (Geneva's No. 19, October 1, 7 p. m.)

Koo introduced a resolution denouncing Japan as the aggressor under Article X of the Covenant, and supporting his resolution he stated that China did not ask the members of the League to carry out all their obligations under the Covenant, but he did ask the study of definite steps to restore peace in the Far East.

In the New York Times of October 2, Mr. Streit stated that

that the draft resolution was "carefully worded-especially by its reference to Article X--so as not to bring down on League members their obligation to apply sanctions and not to cause Washington to apply the Neutrality Act."

In discussing Koo's proposal that the resolution should cite Article X, Cranbourne proposed on October 5 that reference be made only to Article XI (consultation) or Article III ( Assembly may deal with any matter affecting the peace of the world ) and, in the words of Article XI, should consider what steps would be "wise and effectual." The first step would be the calling of a conference of signatories of the Nine-Power Treaty. (Geneva's 26, October 5, ll a. m. (Section One).

Koo pointed out the obligations of League members, stating that he felt Article X applied with particular relevancy. The Nine-Power Treaty could not relieve the League members of their obligations under the League Covenant.

The French delegate supported Cranbourne.

Litvinov stated that the Nine-Power Conference would free League members not parties to the Treaty from further obligation.

Bruce supported Cranbourne, stating that specific course of action was provided in Article XVII alone, but Japan would refuse to accept an invitation under Paragraph 3 of that Article and Articles XII and XVI would come into effect, and that the Chinese

Chinese delegation realized that Article XVII as a practical matter afforded no solution.

van der Straten (Belgium) stated that the League was "absolutely powerless." He accepted Koo's proposal not to take any steps to weaken China, but could not accept Koo's other proposal as this was tantamount to a prohibition of exports to Japan. (1)

The New York Herald-Tribune of October 5 declared that the Advisory Committee's resolution had found Japan guilty of "invasion of China" in violation of her treaty obligations, but had "fought shy of the use of the word 'aggression' because that would lead automatically to sanctions."

Theodore C. Achilles

John H. Spencer

(1) Geneva's 26, October 5, 11 p. m. (Section Two).

Eu:TCA:DG FE:JHS:REK 98 1

ASPA

# TELEGRAM RECEIVED

EG

GRAY

Amoy via N. R. FROM

Dated December 20, 1937

Rec'd 8:30 a.m. Dec.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND M.I.D.

3 7-

December 29, 4 p.m.

The mayor of Amoy today called on senior consul, Amoy, to inquire what Kulangsuw authorities would do if the Japanese naval or military forces chose to land on the International Settlement or to anchor on the farther side and shell the City of Amoy over the Settlement. The senior consul replied that the authorities could do no more than register a personal protest through the senior naval officer present and take the matter up through diplomatic channels.

ALTAFFER

WWC :HPD

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793.94/11910

AFRA

# TELEGRAM RECEIVED

EG

USS MARBLEHEAD

1--1336

December 31, 1937

Rec'd 6 a.m.

ACTION: CINCAF

INFO: SECOND BRIGADE USMC COMYANGPAT

COMYANGPAT COMSOPAT OPNAV

ALUSNA PEIPING

Division 1 FAN EASTERN AT DEC DEC 3 1 1987 Department of State

793.94

1030. Numerous explosions last night electric substation and Chinese shipyard destroyed. Japanese vessel reported yesterday as transport anchored near Taikung Tao underway 1300 today and stood in toward Tawan Bay just south of harbor entrance believed to be auxiliary engaged occupation Taikung Tao light where Japanese flag now displayed. Destroyer remains anchored near light. One plane sighted over city this morning. 2100

JS

CIETTIA 1

F/FG

TELEGRAM RECENTED BRIGADE USMC

EG

FROM

December 31, 1937

Recid 8:35 a.m

ACTION: OPNAV AND CINCAF INFO: ALICOMAT SHANGHAI

COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

ALAMBASSADOR CHINA

COMSOPAT

USS MARBLEHEAD ALUSNA PEIPING

COPIES SENT TO

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10 Depay

pan eastern attains
DEC 3 1 1937

793.94

8631. Central China military situation unchanged.

Nipponese engineers busy repairing roads railway west Hangchow. Shanghai quiet. 1923.

Tak :WWC

793.94/11912

F/FQ

99-1

ARSAA.

# TELEGRAM RECEIVED

ΕG

1---1886

FROMRAY

Tsingtao via N. R.

Dated December 31, 1937

Rec'd 9:30 a.m.

193.94

Secretary of State, Washington.

RUSH

December 31, 3 p.m.

Situation in respect to possible danger to American lives and property from looters definitely easier at the moment. A group of Chinese, following explanation by consular corps of situation, have organized "Tsingtao provisional merchant corps" which will draw up plans for police protection of Tsingtao.

My consular colleagues are asking their embassies to inform their embassies at Tokyo that Japanese Government be apprised of the fact that Tsingtao is a defenseless city. Sent to Peiping, Hankow.

SOKOBIN

WWC :HPD

793.94/11913

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AH EASTERN AF JAIKS

# DOCUMENT FILE NOTE

SEE 893.00 P	R. FOOCHOW/118	FOR Despat	ch #19 
FROMF	pochow (	Ward DATED	Dec. 31, 1937 •
то	1	NAME	1-1127 ***
REGARDING: Since	o-Japanese conflict: Re aonth of November, 1937	port on activities :	for 9

aa

743,94

## 1. Japan.

a: Restricts for the Chinese army. Two
groups of newly-drafted recruits were formally mustered
into the 80th Division on Nevember 19 and 28 at formal
ceremonies on those days presided over by General Chien I
(文 成), during which the rookies were harangued by

various

493,222

various provincial leaders and decorated by numerous girl students, who pinned a flower on each of them.

The crowds gathered at the ceremonies and the officials who had taken part in them in each case formed a parade, marching the recruits off to the headquarters of the 80th Division to the tune of anti-Japanese slogans.

b. Conscription continues. The conscription of able bodied men between the ages of eighteen and twenty-five for service both in the regular army and in the reserves continued throughout November. Those called were informed by a police officer that they were expected to appear at their local police bureau where drawings were held, calculated to secure the selection of one man from every ten families. This procedure appears to have been repeated several times during the month, the names being procured in the first place brough the Pao Tung (A + ).\* The basis on thich the conscription law is being enforced appears, however, to be erratic and somewhat obscure.\*\*

Although perhaps the majority of the men called responded readily enough, many local Chinese of draft age have attempted to escape conscription - some by purchasing substitutes, some by going into hiding, and still others by going abroad. Various regulations were premulgated and heavy penalties for draft evasion were decreed, but apparently without

altering

<sup>\*</sup>Each Poo Tung is responsible for 100 families.
\*\*The Consulate has so far been unable to procure
any coherent account of it.

altering the desire on the part of many to evade conscrip-

the young men the only slackers: the wealthy merchants of the district were apparently even more loath to meet the acid test of loyalty, and it was evident at the close of November that unless larger sums were subscribed by overseas Fukiemse than was expected, the Province of Fukien would be unable to meet as much as a third of its quota of Yuan \$12,000,000 by December 31, on which date the drive is scheduled to close. In several instances, wealthy men who had refused to purchase the bonds were attacked by name in the local press, and several such persons were put under police surveillance, presumably on the suspicion of being pro-Japanese.

The Foochow Branch of the Committee for the Flotation of Liberty Bonds suggested that the land which various guilds and other institutions in Foochow hold in reserve for mortgage purposes should be disposed of, and the proceeds spent for the purchase of bonds. This scheme was subsequently discarded when it was found that on the present market land in Foochow is practically valueless.

d. Battle behind the lines. The intelligent minority, whe are perhaps the only real patriots in the Province, appeared to have been brought up sharply by these evidences of a widespread lack of patriotism, and early in the month they set about the organization of large scale nationalistic and anti-Japanese propagands. The Society to Support Resistance

was the first to enter the field with a compactly organized propaganda corps of 340 members, comprising 20 teams of 17 members each, divided under a leader and sub-leader into 3 squads of 5 men each. The leader of the corps described it as being composed in part of public officers and public-spirited members of the society, in part of higher middle school and college students, each school forming a team, and in part of members of the Young len's Labor Service Society, a labor organization. The program of the corps was embitious and detailed, and appeared to be contemplating the use of every trick for the dissemination of its dostrine of the necessity for resistance that has been developed in political conflicts in the last fifteen years. In an effort to push the sale of liberty bonds and to popularize the conscription drive, the Provincial Party Headquarters and the Society to Support Resistance divided the environs of Foochow among the teams, and ordered them to emphasize their work in rural communities and to spread gradually out into the hinterland.

As the first step in the rural work, the fifth team, composed partially of semiors in the Anglo-Chinese College in Foochow, spent ten days of the month on a trip to Yenping (上 十) and Kienow (上 点) and the surrounding territory. If they went to educate the peasantry, they came back themselves educated. One of the seniors reported that in some villages the peasants would all run on their approach, believing,

as the team later discovered, that they were conscription officers; in others the people knew about China, and had heard about Japan, but did not know that there was a war in progress.

With this intensification of propagands work, other organizations in Foochow also joined the movement, the Cultural Classes Salvation Society forming rural lecture groups similar to those of the Propaganda Corps, and the Mass Education Office undertaking classes in patriotic training for young men.

which was reported to have drawn over six thousand people was held on November 21 under the auspices of the Party Headquarters. At it General Chien I, Mr. Chien Chao-ying ( ), and others urged their sudience to support conscription and buy more bonds.

In this battle behind the lines, even the elders are to be organized. Plans had been completed at the close of the month for what was called the "Old Men's Enemy Resistance Propaganda Mass Meeting", and a census of all Foochow residents over fifty years of age was under way.

e. Support for prelonged resistance. In spite of the apathy and discouragement which were evident in Foochow in November, there were many indications of the continued determination of the leaders of what might be called the war party here to support prolonged resistance. On the occasion both of General Chiang's message to the Chiange delegates to the Mine

Power

Power Conference and of his circular of November 20th addressed to the nation, party and patriotic bodies here telegraphed the Generalissimo assurances of their full support for the policy of prolonged resistance.

- f. Marathon magistrate brought to Foochow. The Provincial Government, intent upon proving that he who runs away without even fighting shall not live to dodge any more fights, ordered Kuang Han (海以漢), onetime magistrate of quemoy (2 [ ]), to be brought under guard to Foochow to be tried and punished for his failure to stick to his guns when the Japanese forces attacked the island which comprised his district. Referring to Kuang Han's case in communications which it addressed both to the Provincial Government and the Pacification Headquarters, the Society to Support Resistance to the Enemy urged that stringent instructions be issued to all civil and military officials in Fukien, directing them to stay at their posts should the areas in their charge be attacked, and making them responsible for the loss of those areas.
- g. Trio of traitors shot. Three Chinese one a former employee of a Jamnese store who was charged
  with engaging in espionage, enother a merchant who failed
  to register Jepanese goods which he had in stock, and
  the third an alleged spy were executed in Foodhow
  during November for betraying the Chinese state.
- h. Helyang seized by Jamaese. According to information given the Consulate by a ranking Chimese official whose subordinates had been on the island just previous to its capture, Helyang (海洋).

just off the mainlend at the northeast tip of the Province, was taken by Japanese naval forces on November 5. They proceeded, it was said, to construct three watch towers on it and to build depots for the storage of war materials. No further information has reached this office as to the situation on the island, although according to an unconfirmed report one of the Japanese war ships lying off it was bombed by Chinese planes late in the month.

1. Marines make landing at Hankong. The vernacular press reported that on Movember 28 Japanese marines landed near Hankong (注: 22) to forage for rise in fishermen's huts.

100-1

ASTA

## TELEGRAM RECEIVED

EG

--1386

GRAY

FROM Tsingtao via N. R.

Dated December 30, 1937

Rec'd 4 a.m. Deg. 31st

N<sub>Di</sub>

Division of the DEC 31 1937

Secretary of State,
Washington.

December 30, 11 a.m.

Very considerable damage was done to Japanese producing the night by terrific explosions. The dry dock locks and small arsenal nearby are reported destroyed. The electric substations dividing the large Japanese brewery were also destroyed.

Up to date not a single piece of American property has been damaged in any way.

It is reported from a reliable source that the Mayor of Tsingtao has already left and actually the municipal administration with the exception of the police appears to have vanished. There is also reason to believe that more destruction will be done to Japanese property today and it is even reported that imposing Tsingtao Municipal Administration Building will be destroyed. This morning a Japanese airplane again visited Tsingtao for observation purposes only.

The

793.94/11914

N73 1-10-38 100-2

-2- December 30, 11 a.m. from Tsingtao via N. R.

The chief cause for some anxiety on the part of Americans and Occidentals generally is the threat of destruction to the water works. Otherwise I am gratified to report Americans are displaying admirable coolness.

Sent to Peiping, Hankow.

SOKOBIN

RR:HPD

GRAY #

JR

TELEGRAM RECEIVED R. R.

101-1

Dated December 31, 1937

FROM: d 7 a.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND M.I.D.

December 31, 9 a.m.

AR EASTERN AFF

In company with Captain Dorn on duty in Tsingtao

I made tour of city at 7:30 this morning. Several fires
observed and considerable evidences of looting. No police
or any other Chinese authorities functioning in any way.
Foreign vigilantes now on duty in city. Am in close
consultation with senior American naval officer. We are
not in the slightest degree apprehensible regarding
American lives and property. Japanese airplane now in
observation over city. Consular Body meeting at 10 this
morning. Sent to Peiping, Hankow.

SOKOBIN

RR:WWC

793.9d note Teny Tao

F/WB

a

TELEGRAM RECEIVED

EG

Shanghai via N. R.

FROMDated December 31, 1937

Rec'd 9:30 a.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND M.I.D.

793.44

1255, December 31, noon.

Reference my 1219/December 23, 9 p.m. regarding

Wuhu incidents. Japanese Consul General writes me that he immediately ordered an officer to proceed from Nanking to Wuhu to investigate but due to shifts in military units it has not yet been possible to contact the military unit believed to have been involved. He is doing his best to contact the responsible unit. He adds that military authorities have issued instructions to the military unit now at Wuhu with a view to preventing recurrence of similar incidents in the future.

Repeated to Hankow.

GAUSS

RR:CSB

TELEGRAM RECEIVED

EG

Tokyo

FROM ted December 31, 1937

Rec'd 11:15 a.m.

Secretary of State, Washington.

COPIES SENT O.N.I. AND M.I.S.

in Strict confidence

700, December 31, 8 p.m. Our 697, December 30, 11 a.m.///890 DT

793.94

Following is the British Ambassador's reply to Japanese note regarding attacks on British vessels on the Yangtze:

"Tokyo, 30th December, 1937. Your Excellency, have the honor on instructions from His Majesty's Government in the United Kingdom to inform Your Excellency that we have noted with appreciation the assurances contained in Your Excellency's note of December 28th in connection with the attacks on British warships and merchant shipping on December 12th, and have learn with satisfaction that the statements contained in your note of December 14th apply to merchant vessels concerned as well as to warships.

His Majesty's Government are bound to observe that their information in regard to the circumstances in which the attacks took place -- notably, for instance, on points of visibility -- is at variance with that of the Japanese Government.

His

793.94/1191

Division of

1/1: EASTERN AFFAIRS

DEC 3/1937

## -2- No. 700, TETENEGER ASM. mR ROPED FED

His Majesty's Government note, however, with satisfaction that the Japanese Government have taken or are prepared to take the necessary measures to deal suitably with the officers responsible for these incidents and to prevent any repetition. As regards the latter His Majesty's Government consider that the details of these measures and their effective application may suitably form the subject of further conversations in the course of which they do not doubt that they will be informed of actual steps decided upon.

I avail myself, et cetera. Signed R. L. Craigie."

GREW

# 793.94/11918

# DOCUMENT FILE

### NOTE

FROM State Department (Hamilton ) DATED Dec. 11, 1937
TO Far Eastern Division NAME 1-1117 \*\*\*

REGARDING: Situation in Far East: Resume of-, for week ending Dec. 11, 1937.

mr

11718

WAA Rehute

TELEGRAM RECEIVED

MA

EG

1-1886

FROM PLAIN

Shanghai via N. R. Dated December 31, 1937 Rec'd 3:20 p.m.

Division of

FAR EASTERNAFFAIRS

Secretary of State,

Washington.

793.94

1259, December 31.

Following from the Ambassador:

December 31, 12 noon. Your December 30, 11 a.m.

Will you communicate following to Japanese Ambassador as from me:

"My dear colleague: In view of recent unfortunate incidents growing out of the present hostilities being waged in the Yangtze Valley and with a view to the prevention of any similar situation developing should these hostilities be extended to include the Wusan area in whith the City of Hankow is located, I desire to bring to your attention the fact that the area covered by the former British, Russian and German Concessions and the present French Concession at Hankow, and including Butterfield and Swire's property adjoining the Customs House, includes the bulk of foreign owned and occupied property here at Hankow. In this area are located the Consulates of the foreign powers; in the river off this area are concentrated

793.94/11919

F/FQ

The state of the s

-2- No. 1259, December 31, from Shanghai via N. R.

concentrated foreign naval vessels and foreign flag river shipping. In this area also will be found, not only most of the permanent American and foreign residents, but also many American and foreign refugees from other parts of China unable to leave or be concentrated at any other place.

It is my confident hope that in the unhappy event that military operations should extend to this area the military forces -- land, naval and air -- of your country would refrain from action which would jeopardize the lives and property in this area of Americans as well as of other foreigners. I am, my dear colleague,".

Please repeat to Tokyo. Johnson. .

GAUSS

# TELEGRAM RECEIVED

LMS

Hankow via N. R.

FROM

Dated December 31, 1937

Rec'd 7 p. m.

Secretary of State, Washington.

COPIES SENT TO O.N.I. AND M.I.D.

793,94

127, December 31, 1 p. m.;

FOLLOWING FOR WAR DEPARTMENT FROM STILLWELL:

Military situation Yangtze Valley unchanged. Military Attache leaving Hankow January 1 for Changsha Nanchang area for about one week to investigate conditions. Sent to the Department. Repeated to Peiping.

JOHNSON

NPL

793.94/11920

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. duelets NARS, Date 12-18-75

105-1

## TELEGRAM RECEIVED

LMS

GRAY

Nanking via N.R.

Rec'd 5:20 p. m.

Dated December 31, 1937

COPIED SENT TO O.N.I. AND av I.S.

FROM

Secretary of State,

Washington.

793.94

December 31, 6 p. m.

Arrived at Nanking 2:30 p. m. today, waterfront a shambles and (?) rifle fire heard while small fires were visible at various points in city.

In company with Captain of OAHU I (?) commander of H.M.S. BEE, who had just returned from his first interview with the Japanese military authorities which took place on a Japanese naval vessel. (?) by the British officer that no foreigners had been allowed to land at Nanking and that according to the representative of the Japanese military commander none would be allowed to land before January 5. Reason given is that "mopping up" operations are still in progress and that it is unsafe. British are making no attempt to land before January 6. A British (?) official is expected to arrive at Nanking on H.M.S. CRICKET January 5.

OAHU expects to leave early on morning of the lst of January for Hoshien and Wuhu. Sent to Hankow. Repeated to Department and Shanghai. Shanghai please repeat to Tokyo.

RGC:NPL

ALLISON

कार्यक

#### TELEGRAM RECEIVED

**FROM** 

Division of the control of the closely philaphrased be-

Hankow via N. R.

Dated December 31, 1937

Rec'd 2:57 p.m.

Secretary of State

Washington.

JAN 3 1938

ECHETAHY OF ST

128, December 31, 2 p.m.

CONFIDENTIAL FOR THE SECRETARY

My 119, December 29, 3 p.m. / 11582

JAN 3 - 1938

PARTMENT OF STATE

ACLE

TO STATE

TO STAT

1938

93.94/11922

743.94119

Donald's information is that Chinese Ambassador at Washington has informed Generalissimo that President thought Japanese terms very lenient. Donald states that it is his understanding that Japanese terms have been communicated to Chinese diplomatic missions abroad for publication abroad Japanese terms have not (repeat not) been published here, although Donald says that Mrs. Chiang and Kung had advocated publication. Donald expressed personal opinion that non publication here have fulfilled a hope that certain quarters, unnamed, may be attempting to make a deal with Japanese. Only information Embassy has regarding terms was communicated in my 116, December 28, 9 p.m. ///866

JOHNSON

CSB

ELLED. 1938

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, Sustain NARS, Date 12-18-75

108-2

PREPARING OFFICE WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED V CONFIDENTIAL CODE NONCONFIDENTIAL CODE

Collect

Charge Department

Department of State

PARTAIR PLAIN

Chargé to

ngm . W .

\$

Washington,

"A"

1938 JAN 3 PM 6 31

COMMITTIONS A HE NEU JOS

January 3, 1938. 78,7M.

AMEMBASSY

HANKOW (China). via 7. R.

This cable was sent in confidential Gode. I It should be carefully garachrased before being communicated to anyone. A-1

Your 128, December 31, 2 p.m, and your 1, January 1, 10 p.m. The Chinese Ambassador

interview with the President the President made no comment upon the Japanese peace terms. 793.94/11922

193.94/11922

Lee 893,51/6569

1

Enciphered by .....

Sent by operator \_\_\_\_\_, M., \_\_\_\_, 19\_\_\_\_,

D. C. R.-No. 50

DEGLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972

By Mitten D. designer NARS, Date 12-18-75

4 1988 January

7294 11922

dear Mr. President:

which went from the Department on January 3, at 7 p.m., a copy of which is also attached, which attached, I bring to your attention a telegram shows that we have informed our Ambassador to Leferring to your memorandum of January China of the fasts in the case.

Ambassador here corrects any erroneous impression which may have been gained by the Chinese Govern-I am taking steps to see that the Chimess

793.94/11922

Faithfully yours,

Cordell Hull

Enclosures: From the President, dated January 4; To the Enbasey, Enchow, Ho. 3, January 3, 1938, 7 p.m. 793.94/11922

The President,

The shite House.

PA/H:SKH:ZMK

4 1958, PM

F/FG

COPY:ZMK

# THE WHITE HOUSE WASHINGTON

January 4, 1938.

#### CONFIDENTIAL

MEMORANDUM FOR THE SECRETARY OF STATE:

In view of Ambassador Johnson's 119, December 31, I think you should tell the Chinese Ambassador here that the President has never given any indications that he thinks the Japanese terms "very lenient". So far as an independent Chinese Republic goes Japanese terms which we have seen are utterly impossible.

F.D.R.

NI -

ORK CENTRAL SYSTEM 18 18 MENT OF STATE

NEWYORK CENTRAL BUILDING 230 PARK AVENUE NEW YORK

B.S.VOORHEES

1938 MAN 4 PM 2 19 EMBERGUE EMBERGUED OLVISION OF COMMUNICATIONS
AND RECURDS WILL THE TRANSPORT

Dec. 31, 1937. v-c

Hon. Franklin D. Roosevelt, President of the United States,

Washington, D. C. My dear Mr. President:

The acceptance of Japan's apology is encouraging and I wish to congratulate the administration on the skillful manner in which the incident was handled.

Irrespective of the wisdom with which our foreign relations may be conducted it seems appropriate that public opinion be expressed in order that the action of our statesmen may be as representative as possible of the wishes of their constituents.

Consequently I want to outline my views although they are doubtless largely in harmony with the views of those who are guiding the country destiny. I am strongly on the side of non-intervention and in favor of the greatest possible precaution and self restraint in whatever connection we have to have with the most unfortunate crisis in the Far East. I am one of so many who experienced intimate contact with the tragic destruction of the World War and consequently want to see everything possible done to prevent its recurrence.

I am frankly fearful of the munition profiteers who put profit ahead of human lives and the idealists who would wish, by force, to cure the world of ills they only doubtfully understand.

It is my sincere hope that the situation in China may be handled so there will be no occasion for our country to become involved in the conflict. It was my understanding that our Government had adopted a policy of protecting American citizens in warring countries only to the extent of giving them a reasonable time and means of withdrawing from such countries. While we cannot help but sympathize with such people in their distress, nevertheless it should be borne in mind that they took a chance in electing to cast their lot in a foreign land either in the spirit of adventure or for profit and if they remain there during a state of war it should be understood they are doing so at the tr There seems to be no sound reason for extending them protection ap own risk. to the point of jeopardizing a whole nation of some 130,000,000 people.

Cannot even greater precautions be taken to keep our vessels beyond the limits of the fighting areas with a view of avoiding insofar as possible any incidents similar to that of, the Panay?

It is further my understanding that shipments of munitions to countries at war in American ships have been prohibited. It is disappointing that such shipments cannot be completely stopped either in American ships or ships of other countries. Such shipments not only make us a participant in the destruction of lives and property but also further complicate the policy of non-intervention. We have recently heard from a missionary complaining of the shipment of scrap iron to Japan. For all we know, it might have been our own iron that fell on our own ship, the Panay. If the present Neutrality Act is not completely effective because of the seemingly senseless technicality that war has not been declared, it would seem that such Act should be modified to apply when hostilities commence regardless of whether there is a so-called "State of War" or a declaration of war.

It would seem that a position of neutrality and non-intervention can be maintained and still command the respect of the World. Dignified protestations as have been made against the wrongful aggressiveness of a nation attacking beyond its borders, I heartily approve. They should become more effective as time goes on.

There is no assurance as to what would be the outcome if we did take part in an armed punishment of Japan. A defeated Japan might well present another dangerous communistic or fascistic problem. Quantities of bloodshed in the World War did not "Make the World Safe for Democracy".

Would that something might be done in our country to curtail the constant advertising and encouragement of foreign war lords, leaders imbued with the thirst for glory that would drag civilization back thousands of years, destroy lives and wreck homes merely for the sake of personal ambition. This only fosters the war spirit among the less intelligent or more unthinking of our people.

People who look upon neutrality as a negative and unworthy role do not give sufficient thought to the destruction, pain and suffering experienced by our millions who had direct contact with the terrible curse of war in 1917 and 1918 or with the repetition of such experience in the warring countries of today. It need not necessarily be "Peace at any Price" but whole-hearted devotion of all our energy toward peace and to the prevention of the sacrifice of our American manhood on the useless altar of War.

Sincerely yours,

B.S. Voorle

Dec. 31, 1937

January 12 1988

In reply refer to

My dear Mr. Voorhees:

The receipt is acknowledged, by reference from the White House, of your letter of December 31, 1937, addressed to the President, in regard to the Far Eastern situation.

The views expressed in your letter have received careful consideration and in this connection the following statements may be of interest to you.

200.11

The question of the types and degrees of protection which this Government should afford to its citizens abroad presents many difficulties and is one in regard to which opinions may very readily differ. In a situation such as has prevailed in the Far East there have been developed during more than a century certain rights, certain interests, certain obligations, and certain practices. In the light of peculiar features inherent in the situation, all of the major powers have developed

Mr. B. S. Voorhees,
Engineering Assistant to Vice President,
New York Central System,
250 Park Avenue,
New York, New York.

T / FG

**N** --

developed and employed, with authorization by the Chinese Government, methods for safeguarding the lives and interests and property of their nationals believed to be appropriate to the situation and warranted by the peculiarities thereof. Thus, for instance, there came about and there is still in existence the system of extraterritorial jurisdiction and various of its concomitants. Concurrently, many nationals of this and other countries have, during several generations, gone to China, established themselves there in various occupations and activities, and subjected themselves both to the advantages and to the disadvantages of the conditions prevailing there; and the American Government has, along with other governments, accepted various rights and incurred various obligations. In a situation such as now prevails, many of our nationals cannot suddenly cut themselves off from the past nor can the American Government suddenly disavow its obligations and responsibilities. The American naval vessels and the small contingents of American landed forces which have been maintained in China were placed and have been kept there solely for the purpose of assisting in the maintenance of order and security as affecting the lives, the property, and the legitimate activities of American nationals, especially in regard to conditions of local disorder

disorder and unauthorized violence. These vessels and troops have never had in any sense any mission of aggression. It has long been the desire and expectation of the American Government that they shall be withdrawn when their appropriate function is no longer called for.

officers of the American Government have repeatedly and earnestly advised American citizens, in face of dangers incident to residence in China, to withdraw and are making every effort to provide safe means whereby they may depart. During the current situation in China the American military and naval forces have rendered important service in protecting the lives of American nationals, in assisting in evacuating Americans from areas of special danger, and in making possible the maintenance of uninterrupted communications with our nationals and our diplomatic and consular establishments in the areas involved.

With regard to the question of the application of the Neutrality Act to the situation now obtaining in the Far East, your attention is invited to the remarks of the Honorable Sam D. McReynolds, Chairman of the House Committee on Foreign Affairs, as set forth on pages 151, 152, and 153 of the Congressional Record of November 17, 1937. It is believed that you will find a satisfactory answer to the question raised in your letter from a

perusal

perusal of Mr. McReynolds' statements. Copies of the Congressional Record may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C.

It may be stated also that a cardinal principle of our foreign relations and one which is never lost sight of is to avoid being entangled in hostilities and that the Administration is endeavoring to follow an unbiased course in connection with the Far Eastern situation and is giving close attention to every phase of that situation toward making effective the policies, especially the policy of peace, in which this country believes and to which it is committed.

As of interest in this connection, there is enclosed a copy of a statement given to the press by the Department of State on August 25 outlining the policy on which this Government is proceeding with reference to the situation in the Far East.

Sincerely yours,

For the Secretary of State:

19° W. Ve Maxwell M. Hamilton

Chief Division of Far Eastern Affairs

Enclosure:
Press release of
August 23, 1937.
FE:ECC:HES
1-10

W

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-75

166-1

## TELEGRAM RECEIVED

JR

AMEMBASSY PEIPING AMEMBASSY HANKOW AMCONSUL CHANGUAI PLAIN GRAY AND SPECTALLY GRAY 1320

Fromton via N. R.

Dated December 31, 1937

DEDUPMENT OF STA

Rec'd January 1, 1938

10:45 a.m.

Division of

Secretary of State,

Washington.

() 5 n m

December 31, 5 p.m.

My December 30, 5 p.m.//1907

Canton included four bombs on and near site of Union Normal School, an American institution under joint management of American Presbyterian and United Brethen in Christ Mission. School personnel had removed to Toishan two months ago and property appeared to be partially occupied by troops.

(A) a circumstance which had not been reported to this office. Property damage confined to demolition of one of the school's less important buildings. One soldier killed, three wounded. Objectives of these and other bombs in same general area (1) factories power plant or military concentrations. Reported that military hospital hit and several resultant casualties but no other American damage.

Raiding

AN 6 - 1938

393.115

WB /38

-2- December 31, 5 p.m., from Canton via N. R.

Raiding of southern sections of Canton, Hong Kong and Canton Hankow Railway has continued daily: particularly heavy bombing of Shekling bridges and Pakong on twentyninth. Telephone telegraphic communications along both lines have been repeatedly cut but damage to tracks not serious.

While more intelligent Chinese regard American action in response to PANAY incident as reasonably strong, as of the incident has much disappointed many who had confidently hoped for immediate concerted positive action against Japan by American and Britain; and vernacular press has reverted to allegation that American policy is still dictated by shortsighted moneyed interests without regard for "Japanese menace" to America and world peace.

Such disappointment in the democratic powers together with reports convincing local Chinese that Russia has promised substantial aid is serving to increase leaning toward Russia as the only nation to be counted on for immediate material assistance and apparently to make the public sympathetic to reported impending reorganization of Government on more radical lines. At the same time there have been signs of increasing suspicion and hostility toward Fascist countries and their nationals in this area.

There

WB 138

-3- December 31, 5 p.m., from Canton via N. R.

There are, however, no indications that these tendencies presage any spread communist doctrine.

Mailed Hong Kong, Swatow.

LINNELL

RR

# TELEGRAM RECEIVED

JR

FROM SOPAT

December 31, 1937 Rec'd 3:17 p.m.

ACTION:  $OPN\Lambda V$ 

INFO:

SECOND BRIGADE USMC COMSUBRON FIVE COMDESRON FIVE

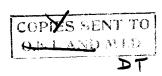
793.94

CINCAF

COMYANGPAT
AMAMBASSADOR CHINA
USS MARBLEHTAD
ALUSNA PEIPING

0231. South China ports quiet. 2000.

HPD



FAR EASTERD AFFAIRS

CETTA

ः 4 - **133**8

ELC

### GRAY TELEGRAM RECEIVED

Dated January 1, 1938.

FROM

Rec'd.7:11 h. m.

Secretary of State

Washington

2, January 1, 2 p. m.

11769

Tsingtao's December 21,5 p. m; Peiping's December

23, 11 a. m.

Ty Smitish colleague yesterday addressed a letter to the lice Minister for Foreign Affairs requesting that in the event of hostilities at Tsingtao, Edgewater Peninsula be regarded as a safety some "subject to the understanding tint Japanese responsibility to respect foreign lives and property outside such safety zone remains unimpaised".

Copies of the British Ambassador's letter were sent to the French and the German imbassador and to myself with the expressed hope that we may be prepared to support the British Dequest.

Please instruct.

Repeated to Peiping.

GREW.

RR

PREPARING OFFICE
WILL INDICATE WHETHER Collect Charge Department OR Charge to .

CONFIDENTIAL CODE

Department of State

PARTAIR PLAIN

1938 JAN | PM | 04

Washington,

January 1, 1938

COMMISSION OF COMES

2 PM

AMEMBASSY

TOKYO (JAPAN)

Your 2, January 1, 2 p.m., safety zone at Tsingtao. Department authorizes you to make representations similar to those made by the British Ambassador!

Hall (J.W.B)

793.94/11925 FE: JWB: FEH: SS

Enciphered by

Sent by operator \_\_\_\_\_\_ M., \_\_\_\_\_\_, 19\_\_\_\_,

D. C. R.-No. 50

1-1462 U. S. GOVERNMENT PRINTING OFFICE

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, Superior NARS, Date 12-18-75

# TELEGRAM RECEIVED

33

FROM

g via N.R.

Dated January 1, 1938

Rec'd 9:30 p.m.

Secretary of State,

Washington.

COPIES SENT : XI

SANTAL M.I.D. Cost Ilun's No + 9, January 1, 5 p.m.

> Received your State Department December 30, 4 p.m. Shaking? Location of Japanese troops in Shanghai impossible to ascertain beyond confirmation that they have not reached Weihsien. Reports indicate Japanese forces have not advanced east of Changtien. Chinese reported in counter attack from the south to recapture Tsinanfu. Local Chinese have organized police control of Tsingtao. Disorders and fires continue to small extent, and never were anywhere near as bad as newspapers probably indicate. Some railway police have returned for duty, but Mayor has gone for good. I do not believe fifty first army will offer any real resistance when attacked. Since Tsingtao is without any defense! it

would be best if Japanese occupied city at once.

BB

# TELEGRAM RECEIVED Shanghai via N.R.

-1226

Dated January 1, 1938

FROM REC'd 2:50 p.fm.

Secretary of State,

Washington.

COPIES SENT TO HAM EASTED AT AND MLI. DAIL JAN 10 1999

193.94

One, January 1, 4 p.m.

Several bombing incidents have occurred today and are believed to have been carried out by a group of terrorists who recently came to Shanghai and have several times attempted to bomb small craft carrying Japanese soldiers on Scochow Creek. Two hand grenades were thrown at a party of Japanese soldiers who were sightseeing near Fukien and Hankow Roads in the central district this morning. Four Japanese injured, one seriously. Several Chinese also injured. Crude bombs were also thrown at Japanese mills in the Italian sector outside of Settlement and one at a Japanese mill in the American sector. No damage done in these cases. So far the Japanese appear to be leaving the investigation in the hands of the municipal police.

Sent to the Department. Repeated to Hankow and Peiping.

GAUSS

NPL

X

BB

#### GRAY RECEIVED Tsingtao via N.R. TELEGRAM

Dated January 1, 1938

FROM 6:20 p.m

Secretary of State, Washington.

COPIES SENT O.N.I. AND M.I.D.

WB 1-10-38

January 1, 4 p.m.

793.101 Tsuglas This has been the most comfortable day in a long while. The night passed absolutely without disorder and at this moment there is an air of easiness such as we have not enjoyed for many days. There has been no

looting today and so far as "looting " is concerned

all that took place was petty pilfering stated above

The principle questions are why have Japanese

forces not landed in Tsingtao and when will they come?

It is difficult to get information on the subject of hostilities in the interior of Shantung but a Chinese report has it that the city of Tsinanfu is now normal with Chinese peace preservation commission functioning as from today.

American residents in Tsingtao annoyed by sensational American press reports which have completely distorted the picture of a situation which did not cause great alarm among occidentals here none of whom has suffered any loss of property, as far as this Consulate is aware.

Sent to the Department, Hankow, Peiping.

SOKOBIN

NPL

TELEGRAM RECEIVED

This messa a must be ALUSNA PEIPING closely paraphrased before being communicated to anyone.

ALUSNA PEIPING

January 1, 1938

FROM

Rec'd 2:50 p.m.

TO: NAVY DEPARTMENT
INFO: SECOND BRIGADE USMC
COMSUBRON 5
ASST ALUSNA SHANGHAI
COMDESRON 5
CINCAF
COLYANGPAT
COLSOPAT
ALUSOPAT
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ALUSOPAT
ANGREE
AST ALUSNA NANKING.

Division of FAR EASTERN AFFAIRS

JAN 3 1938

Department of State

0001. Japanese intent on acquiring property both in quarter and city usually paying cash. Chinese owners are offered prices far below value which they must accept or Else. Two forced sales large Chinese hotels made recently indicating probable future coercive methods. Feelers being sent out relative foreign capital investment aid expressions hope. Political situation unchanged with provisional government having difficulty obtaining responsible Chinese for office. Most important personages have two things in common namely all broke and background of Japanese education. Therefore setup unlikely command respect or gain peoples honest support. No military activity this area. Negligible troop reinforcements. Approximately three hospital ships læave Chinwangtao weekly with total one thousand casualties, sick, wounded. Trucks mechanized equipment continue going north through above place. 1410

793.94 2000 Pacinion JS

US SOAHU

1---1830

January 1, 1938
FROM
Rec'd 2:20 p.m.

JAN J.1338
Department of States

TO COMYANGPAT

IMFO:CINCAF

COPINS SENT TO O.N.I. AND M.I.D.

Passed to Navy Department by Cincal for information

793,74

0031 Being lain vicinity Tgitzechi Yangtze River mine barrier has been reported 2230

NPL

4

## TELEGRAM RECEIVED

JS

-COMSOPAT

1---1884

FROM January 1, 1938

Rec'd 2:50 p.m.

ACTION: OPHAV

INFO:

2ND BRIGADE USEC

COMSUBRON 5

COMDESRON 5

COLYANGPAT

193,94

AMAMBASJADOR CHINA

U S S MARBLEHEAD

ALUSHA PETPING.

COPINS SENT TO O.N.I. AND M.I.D.

OlOl Nineteen BLP and three BSP bombed northeast and southeast of tenton forenoon. Other South China ports quiet. 2000

NPL

793.9

CRETALS

4

JR

COMYANGPAT

January 1, 1938

REC'd 8:10 a.m.

Division of AR EASTERN AFFAIRS

ACTION: OPNAV

INFO:

SECOND BRIGADE USMC YANGPAT CCMSUBRON FIVE COMDESRON FIVE CINCAF

COMSOPAT AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

0031. Yangtze River ports quiet. 2145.

RR

793.44

COPIES SHINT TO O.N.I. AND W.I.D. DT

U

Ø:

# TELEGRAM RECEIVED

JR

ALUSNA SHANGHAI

January 1, 1938

Rec'd 7:59 a.m.

ACTION: OPNAV

INFO:

CINCAF ALUSNA PEIPING

Division of TAR EASTERN AFFAIRS

793.94

1601. Four Japanese soldiers, five Chinese injured by granades which burst in group Japanese soldiers sightseeing near corner Hankow Fuken Roads in Settlement about 1130. Two granades thrown at Japanese mill in Italian sector and others at Japanese mill Yangtzepoo. 1454.

RR

793.94/11933

A - 1938

CHILL

E.O. 11652, Sec. 3(E) and 5(D) or (E)

# TELEGRAM RECEIVED

EMC

SECOND BRIGADE USMC

DECLASSIFIED:

Department of State

FROM anuary 1, 1938

Rec'd. 10:50 a. m.

AR EASTEIN

INFO:

ACTION: CINCAF OPNAV

AMCONSUL SHAMGHAI COMSUBRON FIVE COMDESRON FIVE

COMYANGPAT

COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD

ALSUNA PEIPING

O.N.I. AND M.I.D.

793.94

8601. Military situation unchanged, persistent unconfirmed reports Chinese counter offensive activity southwest Hanchow. Series of apparently related grenade throwing in city today. Two thrown into group Japanese soldiers on Hankow road Japanese injured one seriously, four Chinese injured. One grenade thrown into eight of two Japanese mills extra settlement roads area Italian sectors no damage Italian sentry fired on missed one grenade thrown. Small homemade explosive thrown into compound Nipponese residence American sector, no damage. Municipal police continuing Exhaustive investigations each incident, no Japanese interference. 1830.

RR

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0, Charles NARS, Date 12-18-75

110-1

This message must be closely particular AM RECEIVED fore being communicated Dated January 2, 1938 to anyone. (A)

Rec'd 4:10 a.m.

Secretary of State,

a

Washington.

of paraphrase

FROM

2, January 2, 10 a.m.
in Strict Confidence
My 1, January 1, 10 p.m.

While Hadio was with me Gage representative of

762,93 British Embassy came in and in my presence Hsumo

British Embassy came in and in my presence Hsumo handed to him copy of terms which he had given me. He said to Gage that he understood that Chinese Ambassador had seen Cadogan who had remarked that China could of course not accept these terms. Hsu made same comments about terms to Gage that he had made to me.

MB 38

In general conversation which followed Gage remarked "SJ MO that this explained why German Ambassador had been depressed during the post few days. He said that German Ambassador had said to him yesterday "why do you continue to encourage the Chinese to fight the Japanese" and Gage commented that of course no nation was encouraging the Chinese to fight the Japanese. Hsu said "the German Ambassador should urge the Japanese not to fight the Chinese".

After the departure of Hsu, Gage said to me that he had met German Ambassador at the house of the principal German military adviser Falkenhauser yesterday at which

time

h

BB -2- #2 January 2, 10 a.m. from Hankow

time question was asked. Gage stated that apparently the German Government was recalling all of the German advisers. He said that adviser Krummacher said to him that he and Falkenhausen were remaining with the Chinese no matter what the German Government thought or did about it.

I dined at the house of a German friend last evening and found him much wrought up over a German illustrated paper which he had just received indicating that the press in Germany was propagating the thought that the Japanese were indeed fighting communism in China using as evidence of this illustrations from Associated Press taken in communist forthwest China by Edgar Snow. He stated to me that German Chamber of Commerce here in China had telegraphed home trying to counteract this propaganda by pointing out that Japan was driving the Chinese into the arms of Russia but without avail.

Shanghai inform Commander-in-Chief. Peiping repeat to Tokyo.

JOHNSON

RGC:JLS

10 B. 38

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitm 0. Austrian NARS, Date 12-18-75

[CONFIDENTIAL]

110-3

#### PARAPHRASE

STRICTLY CONFIDENTIAL

A telegram (no. 2) of January 2, 1938, from the American Ambassador at Hankow reads substantially as follows:

A representative of the British Embassy (Gage) came in while the Vice Minister for Poreign Affairs (Hau Mo) was with the American Ambassador, and in the latter's presence Hau Mo handed to Gage a copy of the terms mentioned in the Ambassador's telegram no. 1 of January 1. Hau Mo made to Gage the same comments about the terms which he had made to the American Ambassador, and he said that he understood that the Chinese Ambassador to London had seen Cadogan who had remarked that, of course, China could not accept these terms.

Gage remarked to Hsu, during the course of the general conversation which followed, that this explained why during the past few days the German Ambassador had been depressed. Gage stated that on January 1 the German Ambassador had remarked to him, "Why do you continue to encourage the Chinese to fight the Japanese?" and that he (Gage) had commented that, of course, no government was empouraging China to fight Japan. Hsu Mo remarked, "The German Ambassador should urge the Japanese not to fight the Chinese."

After Hau Mo had left Gage informed the American Ambassador that on January 1 he had met the German Ambassador at the home of Falkenhausen, principal German military advisor, at which time question was asked. Gage said that all of the German advisors were apparently being recalled by the German Government. Gage added that he had been informed by an advisor. +2-

adviser, Krummacher, that no matter what the German Government did or thought about it he (Krummacher) and Falkenhausen were staying with the Chinese.

On the evening of January 1 the American Ambassador dined with a German friend who was much wrought up on account of an illustrated German paper which he had just received. This paper indicated that the German press was fostering the idea that Japan was in fact fighting communism in China, using as evidence of this pictures from the Associated Press which were taken by Edgar Snow in communist areas of northwest China. The German Chamber of Commerce in China had attempted, without avail, to counteract this propagands by telegraphing to Germany and pointing out that Japan was driving the Chinese into the arms of Soviet Russia, according to statements made by the Ambassador's German friend.

793.94/11935

29C FE:E60:HES 1-3-38 AICH FE DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitter D. Suntain NARS, Date /2-

111-1

# TELEGRAM RECEIVED

JR A portion of this telegram must be closely paraphrase FROM before being communicated to anyone. (A)

Hankow via N. R.

Dated January 1, 1938 Bivision of

Rec'd 9:1

Secretary of State,

9394119

Washington.

THES, SENT TO O.N.I. AND M.I.D.

in street confidence 1, January 1, 10 p.m. My 128, December 31, 4 p.m.

One. Following is text of terms which Dr. Hsu Mo hamded me in confidence this morning stating that they were communicated to the Chinese Government by the German Ambassador under instructions from his Government. Dr. Hsu Mo (\*) these terms were handed to the German Ambassador at Tokyo on December 23 by the Japanese Minister for Foreign Affairs,

(SPECIAL GRAY) Two. " Conditions. First. China to abandon her pro-communist policy as well as her anti-Japanese and anti-Manchukuo policy and to cooperate with Japan and Hanchukuo in the execution of their anticommunist policies. Second. Demilitarized zones to be established and special regimes set up in necessary areas. Third. Agreements for close economic cooperation to be concluded between Japan, Manchukuo and China. Fourth. China to make necessary indemnification to Japan". SPECIAL GRAY).

Three.

11

111-2

-2- #1, January 1, 10 p.m., from Hankow via N. R.

Three. Dr. Hso Mo stated that instructions had been cabled to Chinese Ambassadors at Paris, Washington, London and Moscow to communicate these terms to those governments. He stated he had not yet heard whether C. T. Wang had acted. He volunteered information that Ambassador had an appointment with the President but he did not know whether it was for purpose of showing him these terms. He said he understood Secretary of State was ill.

Four. He made the comment that terms were so general in scope that although they looked innocent Japan, if China accepted, would be free to claim that most any demand it made was within the meaning of these terms and that China could not accept these terms as a basis of negotiation. He said that any person who had watched the actions of Japanese military leaders in the last few months would understand the purposes hidden behind the terms.

Five. I made no comment other than to say that the wording of the terms looked to me as though it had been chosen for consumption in Europe and America to persuade the public as stated therein of the innocence of Japanese intention.

Sent to Shanghia inform Commander-in-Chief; Peiping transmit to Tokyo.

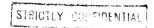
JOHNSON

HPD

111-3

[CONFIDENTIAL]

J.



#### PARAPHRASE

A telegram (no. 1) of January 1, 1957, from the American Ambassador at Hankow reads substantially as follows:

On the morning of January 1 Dr. Hau Mo, Vice Minister for Foreign Affairs, handed to the Ambassador in confidence the text of terms which he said were communicated to the Chinese Government by the German Ambassador under instructions from the German Government. According to Dr. Hau, the Japanese Minister for Foreign Affairs handed these terms on December 25 to the German Ambassador at Tokyo. The text of the terms is as follows:

"Basic conditions. First. China to abandon her pro-communist policy as well as her anti-Japanese and anti-Manchukuo policy and to cooperate with Japan and Manchukuo in the execution of their anti-communist policies. Second. Demilitarized zones to be established and special régimes set up in necessary areas. Third. Agreements for close economic cooperation to be concluded between Japan, Manchukuo and China. Fourth. China to make necessary indemnification to Japan."

According to Dr. Hsu, the Chinese Ambassadors at Washington, London, Moscow, and Paris have been instructed by cable to communicate these terms to the governments to which they are accredited. Hsu Mo had not yet heard whether

whether the Chinese Ambassador at Washington (C. T. Wang) had seted. Hsu ke said that he understood that the Secretary of State was sick and he volunteered the information that the Chinese Ambassador (Wang) had an appointment with President Roosevelt but he did not know whether this appointment was for the purpose of showing the President these terms.

Dr. Hau said that the purposes hidden behind the terms would be understood by any person who had observed the actions of the Japanese military leaders in China during the past few months. He remarked that China could not accept these terms as a basis of negotiation and that, although they looked innocent, the terms were so general in scope that if China accepted them Japan would be free to claim that almost any demand which might be made was within the meaning of these terms.

The only comment which the American Ambassador made was that the wording of the terms looked as if it had been made for European and American consumption in order to persuade the public as stated therein that Japan's intention was innocent.

793.94/11936 £.9.C. FE:EGC:HES

*AM* FE

## TELEGRAM RECEIVED

JR

COMSOPAT

FROM
January 2, 1938

DIVISION OF FOREIG

SERVICE ADMINIST

Rec'd 2 p.m.

ACTION: OPNAV

INFO:

HPD

SECOND BRIGADE USMC COMSUBRON FIVE COMDESRON FIVE

CINCAF COMYANGPAT

AMAMBASSADOR CHINA USS MARBLEHEAD

ALUSNA PEIPING

753.94

0102. South China Ports quiet. 2000.

793.94/11937

#### TELEGRAM RECEIVED

JR

1—1886

SECOND BRIGADE USMC FROM

January 2, 1938

Rec'd 4:35 p.m.

ACTION: CINCAF OPNAV

INFO: AMC

AMCON SHANCHAI COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

COMSOPAT

AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING COPYS SENT TO CARLAND M.I.D.

793.94

8602. Chinese continue offer vigorous resistance vicinity Kashan and Kaoyu north of Yangtze bombing raid Nanchang today, Hangchow situation unchanged Nipponese claim complete occupation Tainn south Tsingfu, Shanghai quiet. Municipal Council published proclamation announcing any one guilty offense against any of army or armed forces in Settlement liable to surrender to that force. 1840.

HPD

W.4 - 1030

T / T 6

4



793.94/11939

### TELEGRAM RECEIVED

JR

COMYANGPAT

FROM

January 2, 1938

Rec'd 4:37 p.m.

ACTION: OPNAV

SECOND BRIGADE USMC INFO:

YANGPAT

COMSUBRON FIVE COMDESRON FIVE

CINCAF COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD

ALUSNA PEIPING

0002. Yangtze River ports quiet. 1930.

HPD

793.91

- MM 4 - 1938

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TELEGRAM RECEIVED

GRAY

FROManghai via N. R

ed January 🥒

Secretary of

JR

Washington.

3, January 2, noon,

Japanese Consul General has addressed letter

senior consul saying that Japanese military and naval authorities desire to obtain from the Consuls General of interested powers in Shanghai all available information on the exact location of properties of the third powers both private and government owned which are to be declared within or near the zone of the present hostilities with a view to preventing the occurrence of any unfortunate incident relative to such foreign properties. Letter states that some colleagues have already furnished information on foreign property in particular districts but in view of the activities of the Japanese forces extending gradually to the inland of China it is desired to have further information with as much detail as available and preferably with copies of maps concerning the foreign properties that are found in any important cities and towns in the interior of China.

Two. All available information on the Shanghai

district

4526

4527

#24 #3, January 2, noon, from Shanghai via N. R.

district was supplied to the Japanese some time ago under authority of the Department's 270, August 24th to Shanghai. A later request for further information for 393/163/759 all China was dealt with in Nanking's No. 745, December 1, 373/163 Am 3 126

1 p.m., and the Department's No. 302, October 4, 10 p.m., to Peiping; in view of which I await Department's instructions before replying to the letter of the Japanese Consul General mentioned in paragraph one of this message. Repeated to Hankow and Peiping.

GAUSS

HPD

4528

#### **DEPARTMENT OF STATE**

#### ASSISTANT SECRETARY

January 7, 1938.

PA/H

Doctor Hornbeck Dear Stanley: Livision of IAR LASILER AFFAIRS
JAN 10 1938
Department of State



I had initialed the attached telegram and was reading it a second time when the following words struck me: "in no way alters or modifies this Government's declared attitude and position in regard to the hostilities in which Japanese and Chinese armed forces are engaged."

This certainly represents our position. On the other hand, the query arises in my mind as to whether it is advisable that such a declaration of attitude in respect to the broad question of the hostilities should be made to any other place than the Foreign Office at Tokyo. I am inclined to think that it would not interest the Japanese Admiral and the Commanding General to learn that our attitude and position in regard to the hostilities remains the same. What would be pertinent for their information would be to learn that we were going to hold them responsible whether or not we had made notification in respect to individual suffering.

I submit this simply for your consideration, but I don't think real harm is done by including the phrase.

A-W HRW/AB

Hugh R. Wilson.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, dustgen NARS, Date 12-18-75

PREPARING OFFICE Collect

TELEGRAM SENT

SMITTED

CONFIDENTIAL CODE NONCONFIDENTIAL CODE

Charge Department Charge to

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DAM

Department of State By navel pade a

Washington,

January 🗸

1938 JAN 4 PM 2 48

AMEMBASSY A CONTROL TIONS

HANKOW (CHINA)

Shanghai's 3, January 2, noon.

The Department desires that you instruct the Consul General at Shanghai that in replying to his Japanese colleague he be guided by the Department s 299, October 5, 8 p.m. and supplementary instruction 302, October 6, 7 p.m., to Nanking, which telegrams you should repeat to Shanghai if you have not already done so.

The Embassy and the Consuls in China should continue to be guided by the Department's 299, October 5, 8 p.m. in semistrating to the Japanese or Chinese authorities information concerning the location of American institutions endangered by their proximity to places in the range of military operations.

PA/H

Sent by operator ....., 19....,

D. C. R.-No. 50

793.94/11940

6:

PREPARING OFFICE WILL INDICATE WHETHER TELEGRAM SENT

TO BE TRANSMITTED
CONFIDENTIAL CODE
V NONCONFIDENTIAL CODE

Charge Department or

Department of State

PARTAIR
PLAIN

Charge to S

Collect

1938 JAN 7 PM 6 04

Washington, 7 January 5, 1938.

AMEMBASSY,

Department's 4, January 4, 3 p.m., in reply to / Shanghai's 3, January 2, noon.

Supplement: It is highly important/that, in responding to requests from Japanese or Chinese authorities for information of the character under reference with such information, there be communicated expressly the specification that, in giving such information, the American Government or its agent do only for the purpose of safeguarding American life and property; that the giving of the information

in no way alters or modifies this Government's declared attitude and position in regard to the heatilities in which

Japanese and Chinese armed forces are engaged; and that
this Government's reservation of rights in regard to

destruction of American life or property which may arise
from those hostilities will in no repeat no way be altered
or modified by the fact of its having given or not repeat
not having given information regarding the location of
American nationals, property, institutions etc.

PA/H:SKH:ZMK  Enciphered by	FE Flui	A-W WALL	Hull
D. C. R.—No. 50	1-1462 U. S. GOVERN	MENT PRINTING OFFICE	-

94/11940

# TELEGRAM RECEIVED

JS

Gray

FROMPKYO

Dated January 2, 1938

Rec'd 5:50 a.m.

Secretary of State, Washington, D.C.

5, January 2. 4 p.m.

Department's 1/January 1, 2 p.m. Tsingtao safety zone.

Representations made to Foreign Office today.

Repeated to Shanghai for relay to Johnson.

GREW

JS



793.94/11941

JR

# TELEGRAM RECEIVED

January 3, 1938

FROM d 7:25 a.m.

MENT TO

ACTION: USS CARU

INFO: CINCAF

TRANSMITTED TO OPNAV BY CINCAF FOR ACTION.

Division of FAR tasily affails & JAN 43 1938 A

0003. Five heavy Chinese bombers attacked Nanking 1400 yesterday. On account Japan anti aircraft fire and possibility Japanese vessels becoming targets for bombers, British gunboats at Nanking and Wuhu are prepared to shift present berths to clear hostile area if necessary. 1107.

RR

793.94/11943

F/F@

M 5 - 1038 ₹

HEGELA DE STATE

# United States Senate

COMMITTEE ON BANKING AND CURRENCY

. 1938 JAN 3 AM 10 22

December 29, 1937

DIVISION OF COMMUNICATIONS AND RECORDS Honorable Cordell Hull Secretary of State Washington, D. C.

January 6 1988

Division of FAR EASTERN AFFAIRS

ans'd

JAN - 3 1938

My dear Mr. Secretary:

During the past few weeks I have been receiving a great many letters concerning the policy of the United States in the far eastern situation, and I am taking the liberty of enclosing three typical communications for your kind consideration.

I shall appreciate it greatly if you will let me have the benefit of your views on the questions raised therein so that I may in turn send the writers an appropriate answer.

Please return the enclosures with your reply.

3 Encl.

193.94111944

[COPY:HES]

215 West Second Street Mt. Vernon, N. Y.

Dec. 19, 1937

Hon. Robert F. Wagner Senate Office Bldg. Washington, D. C.

Mr. Senator:

With the Sino-Japanese situation becoming more tense daily, will you not, as representative of the people who must suffer in event of conflict, do all in your power to bring pressure to bear upon the President to withdraw all U.S. citizens, Military and Naval forces from the war zone; and immediately invoke the Neutrality Act?

Yours very truly,

EDITH DIGNAN (Mrs. Percival Dignan)

Reg. voter.

[COPY:HES]

Dear sir:

\* STEE

Do you favor action to ease tension between the United States and Japan, by  $% \left\{ 1,2,\ldots,n\right\}$ 

- 1. An increasingly strong Congressional protest to the President because of delay in invoking the neutrality act?
  - 2. Action on the Luclow war-referendum amendment?
    Sincerely yours,

BELTOM JACKSON

I am a registered voter in the 99th election district.

8718 Ridge Blvd. Brooklyn, N.Y. Dec. 19, 1937 [COPY:HES]

WALTER MacKELLAR BLAUVELT N.Y.

December 20, 1937

Hon. Robert F. Wagner Washington, D. C.

My dear Senator:

It seems to me that enough has happened in recent months to prove that the only advisable course for the United States is to recall all naval and military forces from China where their presence is a constant menace to peace. And why has the President failed to apply the neutrality law?

Faithfully yours,

WALTER MacKELLAR



January 6 1988

In reply refer to FE 793.94/11944

#### My dear Senator Wagner:

Inacknowledge the receipt of your letter of December 29, 1937, in which you request, in order that you may reply to inquiries made of you, the Department's views on questions raised in regard to the situation in the Far East. You enclose three communications which are typical of such inquiries. I hope that the following comment may be of assistance to you in replying to communications of this nature.

With regard to the question of the withdrawal of American forces from China, the problem of the types and degrees of protection which this Government should afford to its citizens abroad presents many difficulties and is one in regard to which opinions may very readily differ. In a situation such as has prevailed in the Far East there have been developed during more than a century certain rights,

The Honorable

Robert F. Wagner,

United States Senate.

793.94/11944

/FG

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0. Sustaff NARS, Date 12-18-75

-2-

certain interests, certain obligations, and certain practices. In the light of peculiar features inherent in the situation, all of the major powers have developed and employed, with authorization by the Chinese Government, methods for safeguarding the lives and interests and property of their nationals believed to be appropriate to the situation and warranted by the peculiarities thereof. Thus, for instance, there came about and there is still in existence the system of extraterritorial jurisdiction and various of its concomitants. Concurrently, many nationals of this and other countries have, during several generations, gone to China, established themselves there in various occupations and activities, and subjected themselves both to the advantages and to the disadvantages of the conditions prevailing there; and the American Government has, along with other governments, accepted various rights and incurred various obligations. In a situation such as now prevails, many of our nationals cannot suddenly out themselves off from the past nor can the American Government suddenly disavow its obligations and responsibilities. The American naval vessels and the small contingents of American landed forces which have been maintained in China were placed and have been kept there solely for the purpose of assisting in the maintenance of order and security as affecting the lives, the property, and the legitimate activities.

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-5-

activities of American nationals, especially in regard to conditions of local disorder and unauthorized victories. These vessels and troops have never had in any sense any mission of aggression. It has long been the desire and expectation of the American Government that they shall be withdrawn when their appropriate function is no longer called for.

officers of the American Government have repeatedly and earnestly advised American citizens, in face of dangers incident to residence in China, to withdraw and are making every effort to provide safe means whereby they may depart. During the current situation in China the American military and naval forces have rendered important service in protecting the lives of American nationals, in assisting in evacuating Americans from areas of special danger, and in making possible the maintenance of uninterrupted communications with our nationals and our diplomatic and consular establishments in the areas involved.

As to the application of the Neutrality Act to the conflict in the Far East, it may be said that the Joint Resolution approved May 1, 1937, is designed primarily to keep this country out of war. By its provisions the President is granted broad discretion as to whether he shall find in any given situation that there exists a state of war between two or more foreign states. He is not

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, August 10, Date 12-18-75

-4-

not compelled to make such finding on the basis of any specific facts or circumstances. Nor can it be said that the President is confined to the sole question as to whether from the literal point of view a state of war exists but rather that he should take into account the underlying purposes of the resolution and the effect of a finding by him, and a proclamation of that finding, upon the interests of the United States and its nationals. In considering this latter question there are many factors to be taken into account, any one or more of which may vastly outweigh any benefits that might result from invoking the resolution. The President has been guided by these various considerations and by them alone in concluding that the underlying purposes of the resolution would not be best served by proclaiming the existence of a state of war in the Far East.

There is enclosed for your information in connection with inquiries of the type in question a press release issued by the Department on August 23 outlining the policy on which this Government is proceeding with reference to the situation in the Far East.

In accordance with your request, the enclosures which accompanied your letter under acknowledgment are returned herewith.

Sincerely yours,

Cordell Hull

Enclosures: (See following page.)

16

-5-

#### Enclosures:

1. Press release of August 23, 1987.
2. From Mrs. Dignan, December 19, 1937.
5. From Mr. Jackson, December 19, 1937.
4. From Mr. MacKeller, December 20, 1957.

FE:ECC:HES JAN 6 1938. Souting

### TELEGRAM RECEIVED

ΕG

FROM COND BRIGADE USMC

January 3, 1937

Rec'd 1:20 p.m.

: CINCAF AND OPNAV AMCONSUL SHANGHAI ACTION:

INFO:

COMSUBRON FIVE COMDESRON FIVE COMYANGPAT COMSOPAT

yet unconfirmed.

AMAMBASSADOR CHINA

USS MARBLEHEAD

NAVATT PEIPING

98603. Japanese reported occupied Taian Feicheng 25 miles west Taian Poshan 45 miles northeast Taian and Weishien five Chinese divisions recently transferred to vicinity Haichow Eastern terminal Lunghai Railway. Continued Chinese claims successes Hangehow area as

1828.

· 11 64 W

RR

35 Playa Hotel Toledo, Oliv

January 11 1988 December 30, 1937 Cet of

1937 DEC 31 PM 3 35

Mr. Cordell Hull DIVISION OF Dept. of State Manday ton & COMMUNICATIONS FAR EASTERN AFFAIRS

Sèi:

May I offer you a bit of information which way be of conflict to you in the present state of our relations with the

When I was connected with the Drilech. ago I observed that the arout proficient member of our steff in handling the Chimen language was a Mr. R. R. Smith. He had a genus for the language and some at that time spoke read and wrote it refferently well to conduct a case in

Chinese could the has been with the company there continuously, I believe, Some situation suce that time. augut arise in which his services might

be valuable To you. Japan, the word profusent Japanes language that I sur and way

in Tokyo. believe render I have been long out of touch with there were and they wight not thank me

The A THE RESERVE SET SET OF A SECOND

for offering this information about them? but I feel impelled to let you know of there is resources and will leave it to your counters and discretion to out mention of my name

should you have occasion to make me of this information.

Incidentally, may I presume to offer one small voice of congratulation upon your splendid administration of our foreign effairs. I special my two years in the army in 1917-19, and here no derive to repeat, but I believe the best way to avoid a situation where men of any age may be needed for service again, is a firm hand with Jopan the McReywolds in his rade speech last myst made a statement that seems to me the worst intelligent summary of our position that I have heard. Let us take leadershy and cooperate with Britain and France for peace. It can have it for the combined asking.

If Japan is permitted to put the industrian Chimese and their resources to work for them at their own price. They will underself every earliged nation in every market and to in a position to build a navy army and merchant marine that will be a threat to the existence of all the writern democratic nations. But, at the moment, they are conducting the world's most colonial bluff, and they are the best little bowers out and apologizers in the world when they hear a gruff voice that means what it says.

will apologies for presuming to offer an opinion where it is perhaps least required, but with the assume that it is only intended as a vote of confidence from one small and unimportant estages. I remain, sin

Trank H. Canaday

THE RESIDENCE OF THE PROPERTY OF THE PARTY O

January 11 1958

In reply refer to FE 793,94/11946

My dear Mr. Canaday;

The receipt is acknowledged of your letter of December 30, 1937, in regard to the situation in the Far East.

The views expressed in your letter have received careful consideration and we are very grateful to you for your kind expression of endorsement of the course which we are endeavoring to follow in international relations.

We appreciate also the spirit which prompted you to suggest the names of Mr. R. R. Smith and Mr. David Tait as persons whose services might be valuable to the Government, and we shall be glad to bear their names in mind in case the need should arise for some special service which they might be asked to render on behalf of the Government.

Sincerely yours,

For the Secretary of State:

JAN 11 1938

Haxwell M. Hamilton Chief Division of Far Eastern Affairs

Mr. Frank H. Canaday, 35 Plaza Hotel, Toledo, Ohio.

FE:EC:HES

FΈ

A try copy of

F/F(

793.94/11946

# TELEGRAM RECEIVED

FROM GRAY

Shanghai via N. R. Dated January 3, 1938

Rec'd 1:25 p.m.

Secretary of State,

Washington.

COFTAINE O.N.I. AND MILLO.

7, January 3, 6 p.m.

My number 1241, December 28, 5 p.m.

Little change is reported to have occurred in the military situation during the past four days. On the Hangchow front the Japanese have reached Fuyang which is approximately twenty miles southwest of Hangchow on the Chientang River. The Japanese advance from Pukow towards the Lunghai Railway has reached a point approximately 50 miles from Pukow. The Chinese are reported to have been offering determined resistance along this front and are said to have further strengthened their forces in this area by the recent despatch of 5 divisions of Central Government troops.

In connection with the bombings reported in my No. 1, January 1, 4 p.m., and the proclamation issued by the Shanghai Municipal Council following these incidents, a Japanese Embassy spokesman said the Japanese authorities WERE "appreciative of the impression taken by the Municipal Council as Embodied in the proclamation issued

yesterday"

JR

-2- #7, January 3, 6 p.m., from Shanghai via N. R.

yesterday"; he added "we would like to suggest the inclusion of instigators of such armed crimes and of persons harboring such criminals among those who shall be refused sanctuary in the Settlement".

GAUSS

RR:CSB

DEPARTMENT OF DEPARTMENT OF STATELIVED DIVISION OF CURRENT INFORMATION MEMORANDUM

December 22, 1937.

Mr. Byron Price, the General News Manager of the Associated Press in New York, has informed his correspondents here at the Department of State that the AP has received a news telegram from its "string" (part-time) correspondent at Wuhu which is so sensational that Price has held up its publication pending a check-up or confirmation of the story. The story relates that after the Japanese occupation the city of Wuhu was subjected to a ruthless series of terroristic attacks on civilians by Japanese soldiers who insulted American, British and other foreign flags. It recounts how the Japanese pulled an American flag off a launch belonging to a hospital and threw it in the river. The Japanese ordered the Seminary to haul down the American flag, after which soldiers looted the safe.

Price is not sure of the reliability of his correspondent and does not want to make a mistake. He understands that Consul General Gauss has been given the facts of this business at Wuhu. He does not know whether it was an official report to Gauss or just a copy of this story. Anyhow,

793.94/11948

-2-

it appears that Mr. Gauss knows something and Mr. Price has asked the correspondent to check here at the Department to see if he could get confirmation one way or another.

M. J. McDermott, Chief, Division of Current Information.

CI:MJM:VN

December 22, 1937.

AMERICAN CONSUL,

SHANGHAI (China).

PRIORITY.

Under date December 22 the International News Service telegraphs from Shanghai as follows:

QUOTE A grave, new incident in which Japanese soldiers are reported to have thrown an American flag into the Yangtze river brought added tension to the situation today.

Letters received here charged that the flag was pulled down from a boat owned by the General Hospital at Wuhu and thrown into the river. Letters described as coming from SUBQUOTE unimpeachable sources END SUBQUOTE at Wuhu charged the Japanese soldiers threw the flag into the river UNQUOTE.

Please endeavor to ascertain the facts and inform the Department in regard thereto by priority radio.

Associated Press claims to have a sensational story on this matter publication of which it has held up pending checking and understands that you have been given the facts.

Please give Department what you may know on this by priority radio.

FE:MMH:REK

FE

December 22, 1937

INS from Shanghai

A grave, new incident in which Japanese soldiers are reported to have thrown an American flag into the Yangtze river brought added tension to the situation today.

Letters received here charged that the flag was pulled down from a boat owned by the General Hospital at Wuhu and thrown into the river. Letters received described in as coming from "unimpeachable sources" at Wuhu charged the Japanese soldiers through the flag into the river.

nell

An EASTERN AFFAIRS

ADEC 22 1937

Department of State

London, Doc. 32-(IRS)-Charges that Japanese troops hawled down the American flag from a hospital boat at Rulm, China, and oast it into the Yangtes River sensed a sensation in London today.

The London Evening Standard printed its account under the banner: \*U.S.A. flag thrown into river.\*

HISTO ON POLITICAL RELATIONS

8EP1- & NAL

# TELEGRAM RECEIVED

EG

FROM PLAIN

JAN 5 1999

Hankow via N. R.

Lebegram & Dated January 3, 1938 Thulen

FAR EARTH DEBANIS

Rec'd 3:32 p.

Secretary of

Washington.

COPIES SENT TO O.N.I. AND M.I.D.

4, Jenuary 3, 5 per

Following is Embassy's translation of note from the Chanese Foreign Office dated January three:

"The Chinese air force has requested, in order that during the course of its military operations on the Yangtze River the naval and merchant vessels of third countries may escape injury, that American naval and commercial vessels shall anchor at designated places and that these places shall be notified at once to the Chinese Ministry of Foreign Affairs. The air force also asks that when American naval and commercial vessels are compelled by necessity to navigate in the lower reaches of the Mangtze River, notification of their itinerary shall be made to the Ministry of Foreign Affairs at least one week in advance, for transmission to the air force authorities". Repeated to Shanghai for information. Cincaf.

JCIII SON

CSB

793.94/11949

PREPARING OFFICE WILL INDICATE WHETHER TELEGRAM SENT Collect -Charge Department Department of State Charge to \$ Washington, 1938 JAN 5 PM 4 19 January 5, 193% DIVISION OF AMEMBASSYCON WHITE TIONS The Reserve DS HANKOW (China) VIA N.R. Your 4, January 3, 5 p.m. You should be guided in this matter by the Department's 299 October 5, 8 p.m., to Nanking, and by the Commander-in-Chief's telegram 0004-1524 to the Commander Yangtze Patrol. If you have not seen the latter, obtain a copy from the Commander Yangtze Patrol. Huel

CONFIDENTIAL CODE NONCONFIDENTIAL CODE PARTAIR PLAIN 793.94/11949

793.94/11949

Enciphered by ..

Sent by operator \_\_\_\_\_ .... М., ..... D. C. R.-No. 50

U. S. GOVERNMENT PRINTING OFFICE

EDA This telegram was received in Navy Code and must be FROM closely paraphrased before being communicated to anyone

ASTALUSNA NANKING

LAN EVELEN VELVIHE

January 3, 1938

Received 9

FROM ASTALUSNA NANKING

TO ALUSNA PEIPING

INFO ASTALUSNA SHANGHAI CINCAF NAVY DEPARTMENT

793.94

0003. Nine bombers twelve pursuits raided Nanchang. News bombing only airfield. Losses one pursuit each. First attack in ten days. 2047

EMB:RGC

This telegram must be closely paraphrased be-fore being communicated to anyone.

FROM STALUSNA NANKING

January 4, 1938

Division of EASTERN AFFAIRS

REC'd 10:30 a.d

ACTION: ALUSNA PEIPING

ASTALUSNA SHANGHAI INFO:

NAVY DERT

0003. Nine bombers, twelve pursuits raided Nanchang news bombing only airfield, Xosses one pursuit each first

attack in ten days. 204

A.A. CHATAGORA COMPANIEN

HPD

. 8 WW.

793.94

EDA

FROM COMYANGPAT

January 3, 1938

Received 9 p.m.

ACTION OPNAV INFO 2ND MARBRIG USMC

YAMGPAT COMDESMON 5 COMSUBRON 5

CINCAF COMSOPAT

USS MARBLEHEAD ALUSNA PEIPING S SENT TO

M

793.94

0003. Yangtze River ports quiet. 2310

EMB:RGC

AN 6 - 1938

EDA

793.94

FROM 5

COMSOPAT

January 3, 1938

Received /9 p.m.

ACTION OPNAV
INFO 2ND MARBRIG USMC
COMDESSON 5
COMSUBRON 5 CINCAF

COMYANGPAT USS MARBLEHEAD ALUSNA PEIPING

0103. South China ports quiet. 2000

EMB:RGC

CHILIP

AN 7 - 1938

EDA

PLAIN

علزكا

FROM

TSINGTAO VIA N.R.

Dated January 3, 1938

Received 7:30 p.m.

Secretary of State

Washington

COPIES SENT TO O.N.I. AND M.I.D.

BJAN 4 193

January 3, noon.

In view of the inability of this Consulate consulates in Tsingtao to communicate with their nationals in the interior of Shantung, it would be appreciated if you would ask broadcasting stations in Shanghai, Hankow, and Tientsin to broadcast the following: "Unofficial reports regarding the situation in Tsingtao are greatly exaggerated. Not a single foreigner of any nationality has been injured or threatened, nor has any foreign property other than Japanese suffered any damage whatever. While no municipal government is functioning, both Chinese and foreign volunteers are maintaining peace and order with no difficulty. No one should be in the least anxious about friends or relatives, foreign or Chinese, in Tsingtao at this time. The American Consulate is anxious to get in touch with its nationals in the interior of Shantung and would appreciate it if these

nationals

ना

EDA - 2 - January 3, noon from Tsingtao

nationals would communicate by whatever means possible with the Consulate in Tsingtao which will in turn endeavor to keep them informed of conditions there.

The American Consulate communicated by telephone with American missionary at Weihsien on the Tsingtao-Tsinan railway, one hundred twelve miles west of Tsingtao this morning where conditions were reported by the American missionary as peaceful at the moment".

Sent to the Department and Embassies, Hankow and Peiping, and Consulates Shanghai, Tientsin, and Chefoo.

SOKOBIN

EMB:RGC

EDA

PLAIN

TSINGTAO VIA N.R.

Dated January 3, 1938

Received 7:30 p.m.

Secretary of State
Washington

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Sent to the Department and Embassies, Hankow and Peiping, and Consulates Shanghai, Tientsin, and Chefoo.

SOKOBIN

EMB:RGC

PREPARING OFFICE
WILL INDICATE WHETHER TELEGRAM SENT TO BE TRANSMITTED Collect CONFIDENTIAL CODE NONCONFIDENTIAL CODE Charge Department Department of State SAIR Charge to Naval Ratio Washington, 1938 JAN 4 PM 5 52 January 4, 1938. 7 P.M COMP "CATIONS AMERICAN CONSUL. SHANGHAI (CHINA). wia RUSH. Reference Tsingtao's telegram of January 3, noon. Disregard request contained therein! The proposed broadcast is objectionable as regards phrasing of the first sentence and substance of the fourth sentence. It is felt that the suggested text would tend to discourage compliance with the Department's repeatedly expressed and unaltered policy of urging the departure of Americans from areas where they may be endangered by military operations. The Department of course expects all of its officers in China to cooperate fully in facilitating communications with American nationals but desires that the action taken be in accordance with the policy indicated above. Any proposals for any such broadcast or similar functions of warnings of lemilar communications which admit action should be submitted by the office of origin to the Embassy and, if and as approved, be authorized by the Embassy.

Repeat promptly to Hankow, Peiping, Tientsin, Tsingtao

and Chefoo.

D.C.R.—No. 50 **FE:**WAA PA/H:SKH:ZMK

Enciphered by \_\_\_\_\_ Sent by operator ...

793.94/11953

PARTAIR

EG

FROOMSOPAT

January 4, 1938

Rec'd 7:30 a.m.

ACTION: INFO: OPNAV

SECOND BRIGADE USMC COMDESRON FIVE COMSUBRON FIVE

CINCAF

COMYANGPAT USS MARBLEHEAD ALUSNA PEIPING

DIVISION OF A NAL

793.94

0103. South China ports quiet. 2000

RR

793.94/11954



EG

FROMNCAF

January 4, 1934

ACTION: COMYANGPAT
AMCON SHANGHAI INFO: OPNAV

793.94

0004. Far as practicable comply contents Ambassador's despatch to Secretary of State yesterday concerning informing Foreign Office of designated anchorages and movements naval vessels point out that in cases emergency involving safety our nationals ships must be moved on short notice possibly without notification. Supply Chinese air force with description, also photographs these gun boats. 1524.

RR



DIVISION UF

JAN 6 - 1938

THE AMERICAN FILTUDIUS

DEPARTMENT OF STATE

EG

1—1886

FROM GRAY

Tsingtao via N. R.

Dated January 3, 1938

Rec'd 7 a.m. Jan.4th

Secretary of State,

Washington . WE FAR EASTERN AFFAIRS

municipal administration.

January 3, 4 p. m.

In Tsingtao an extraordinarily quiet situation prevails. While the (?) volunteer corps has succeeded in
maintaining law and order because (one) due to the
foreign vigilantes, the situation may become difficult
because of struggle for authority between certain Chinese
who are demanding control police force and (two) because
of refusal of leading Chinese to organize definitely a

It is of interest to note that a peace maintenance commission is functioning in the cotton milling suburb of Tsingtao while in Tsingtao proper the Chinese are definitely fearful of using such a designation for their police organization inasmuch as the connotation has a definite Japanese flavor.

Two. Japanese men of war approached today within a few mundred yards of the only pier now used in Tsingtao and left immediately.

There

793.94/11956

938 - 1838

10 TE 893.10 Ter -2- January 3, 4 p.m. from Tsingtao via N. R.

There are no Chinese troops w ithin a distance of one hundred miles from Tsingtao by road.

In the interior the latest authentic information is that Weihsien is still in the hands of the Chinese civil authorities and the Americans there and their property have not been molested although the Chinese are destroying public property and also the Tsingtao-Tsinanfu railway in that region. Another American missionary has just telephoned from Pingtu, fifty miles northwest from Tsingtao, that yesterday two Japanese airplanes bombed and machine gunned a nearby hamlet. No Americans or their property suffered any damage.

Sent to Hankow, Peiping.

KOBIN

WWC :RR

### **DOCUMENT FILE**

### **NOTE**

SEE	842.00 P. R./119	FOR Des#18	Des#180 <b>7</b>		
FROM .	Canada	( Key ) DATED	Dec. 31, 1937	195	

### REGARDING:

Sinking of the USS FANAY.

Reaction of the Canadian press to the -, has caused some anti-Japanese feeling in Canada and given imeptus to renewed activity in direction of a boycott of Japanese goods.

The legation in its despatch No. 1799 of December 23 dealt with the Canadian press reaction to the sinking of the U.S.S. PANAY on the Yangtze December 13. It is mentioned here merely as a matter of record, and it might be noted in passing that the effect of the sinking of this United States naval vessel has caused the same anti-Japanese feeling in Canada as it has in the United States and has given impetus to renewed activity in the direction of a boycott of Japanese goods.

In this connection it is interesting to note an editorial in the Ottawa CITIZEN, (Liberal, with a left wing slant), which raises sharply the issue of trade with Japan:

"Canada is actually in the wan among war profiteering nations in the present Japanese rape of China.

"This outpouring of the raw materials of war from Canada to Japan is in accordance with the national trade policy whereby Canadian prosperity at home is made to depend upon exporting to markets abroad, no matter whether the markets are made profitable by mass murder or eannibal practices. Even 600 tons of serap iron from the dismantled Canadian warship, H.M.C.S. Fraser, has thus been exported to Japan."

## DOCUMENT FILE NOTE

SEE	1193/130	. FOR	Tel.#1233 11	<b>1</b> 7	. 94 <sub>/</sub>
FROM Shangh	nai (Gaus	) DAT	ED Dec.	27.1937	=
то	NA	ME.	1—1127	***	9
				•	58

REGARDING:

Military situation at Nanking and decision of certain diplomatic colleagues not to have their officers return at this time in view of the Japanese attitude.

emo

1958

JR

GRAY

Shanghai via N. R.

Dated December 27, 1937

Rec'd 1:35 a.m.

Secretary of State, Washington.

1233, December 27, 11 a.m.

I am informed that British and German Embassy officials who had arranged to go to Nanking on the Oahu have decided in view of Japanese attitude to them to postpone departure for Nanking. We could not understand of course postponement on the ground that the OAHU is escorting salvage vessel directly to the PANAY and will not be at Nanking for some days.

GAUSS

RR

EDA

PLAIN

FROM COMSOPAT

124 14 18

January 4, 1938

Received 6:31/p.m.

ACTION OPNAV

INFO:

2ND MAR BRIGADE USMC COMDESRON 5 COMSUBRON 5

COMYANGPAT

193.94

AMAMBASSADOR CHINA USS MARBLEHEAD

ALUSNA PEIPING

COPIES SENT

0104. South China ports quiet. 2000

UNSIGNED

EMB:ROW

793.94/11959

AN 8 - 1938

CHILA

b

JS

COMYANGPAT

From ary 4, 1938

Rec'd 7:11 p.m.

ACTION: OPNAVINFO: 2ND MA

2ND MAR BRIG USMC YANGPAT COMSUBRON 5 COMDESRON 5

COMSOPAT

AMAMBASSADOR CHINA

ALUSNA PEIPING USS MARBLE HEAD

793.94

0004. Seventeen Jap light bombers accompanied by three pursuits attacked military airfield Hankow 1315.today.

Observed one Chinese pursuit shot down. Other river ports quiet....2230.

JS

LMS

EROM and SPECIAL GRAY

AMEMBASSY PEIPING AMCONSUL SHANGHAI

Hankow via N. R.

Dated January 4, 193

REc'd 2:50 p. m.

Secretary of State. Washington.

334 原料

193.94

7, January 4, 5 p. m.

Minimum of fifteen Japanese medium bombers accompanied by three visible pursuits staged heavy attack local airfield today starting at 1:10 p. m. lasting 45 minutes. Planes attacked field three times flying in column of threes in standard formation bombing field from about 7,000 feet dropping between 80 and 100 light bombs. Conditions ideal with unlimited ceiling in spots plus protection of heavy banks, cumulus clouds and minimum wind. More than twenty Chinese planes seen returning to field after attack, no resistance having been offered although one slow Chinese biplane was caught and shot down near the end of attack. Two other planes unidentified types seen burning on field but hangars intact with numerous planes which did not leave. Many holes in field and one shack destroyed but damage generally slight. Anti-fire conspicuous by its poor marksmanship.

McHugh

LMS 2-No. 7, January 4, 5 p. m., from Hankow.

McHugh asks that copy go to Admiral.

Peiping repeat to Tokyo. Shanghai inform Commanderin-Chief.

JOHNSON

HPD

# DOCUMENT FILE NOTE

SEE 893.00 P.R. Swatc	atow/119 FOR Despatch #72			
FROM Swatow TO	( Ketcham ) NAME	DATED	Nov. 1—1127	23, 1937

REGARDING:

Sino-Japanese situation: Report on-, for month of October, 1937, an Swatow area.

...

793.94/ 11962

7 93 94

### (b) Relations With Japan.

Swatow and Eastern Kwangtung were left unmolested by the Japanese during the entire month of October, although the blockade against Chinese shipping continued in force and one or more Japanese destroyers remained outside the harber.

### Registration of Formosans.

As stated in the political report for the period August-September, a few Formosans, variously estimated at from forty to seventy remained in Swatow and in Eastern Ewangtung, after the general evacuation of Japanese on

August

August 12. However, their names and places of residence were never given to the local authorities by the Japanese Consul, although he had promised to do so. During the month under review General Li Han-hun, Commander of the 64th army, in charge of all troops in Eastern Kwangtung, issued orders that all Formosans should register with the local authorities at their place of residence before the end of November. Any Formosan failing to register will be arrested by the Chinese police. It is understood that the few Formosans here are long residents in this area, and have caused no trouble to the Chinese authorities, in fact some are understood to have applied for naturalization as Chinese citisens.

### Defense Works.

Swatow has been unusually active in its erection of shelter areas against air attacks. The first sand bag shelters were builtas long ago as last July and at the end of October enough public and private dugouts to take care of 70,000 people were completed.

### Training of Reserves.

Compulsory military training of able-bodied men between the ages of 18 to 35 was carried on in October, and each family with five or more males of these ages must contribute one man for training. The system works the same way for shops and employers of labor, that is one out of five must undergo training for a period of six weeks for three hours each day. The first class consisting of about 480 men completed its training in October and another group of about 500 began their drills.

### National Salvation Bonds.

In the first month of the campaign to raise Swatow'a

quota quota of one million dollars (national currency) it was reported that approximately NC+100,000 had been raised. The response are said to be the best among middle-class people, and some of the wealthy residents may be forced to contribute, according to reports.

# DOCUMENT FILE NOTE

FROM State Department ( Jones ) DATED Nov. 26, 1937

TO Far Eastern Division NAME 1-1137 ero

REGARDING: Far Eastern Conflict: Japanese plans for Economic development of North China: Reports concerning...

mr

### DOCUMENT FILE

### NOTE

SEE	893.101 Tsingtao/81	FOR	Tel #-, 5pm		
FROM	Tsingtao	(Sokobin )	DATED Dec.	30, 193	7
то		NAME		1-1127	<b>6</b> P0

REGARDING: Far Eastern Conflict; Movement to establish a free government in Tsingtao in order that trade may be carried on without payment of duties.

mr

ΕG

PLAIN FROM Tsingtao via N. R. Dated January 5, 1938

Rec'd 7 a.m.

AMENDASSY PEIPING

Secretary of State,

Washington.

this afternoon.

Fifth, 4:30 p.m.

793.94

COPIES SENT TO O.N.I. AND M.I.D.

Kiaochow forty five miles from Tsingtao on the Tsingtao-Tsinan Railway bombed by Japanese planes

SOKOBIN

793.94/11965

AN 8 - 1930

EG

SECOND BRIGADE USMC FROM ROM
January 5, 1938

Rec'd 7 a.m.

ACTION: INFO:

CINCAF, OPNAV ALCOH SHANGHAI

CCHSUBRON FIVE CCHANGPAT COMSOPAT

ALUSNA PEIPING

ALAMBASSADOR CHINA USS MARBLEHEAD

Division of

793.94

8604. Nipponese reported occupied Kaomi forty two miles northwest Tsingtao, Tawnckow thirteen miles south Taian, Chinese withdrawing toward Yenchow. Chinese recently transferred six divisions from southern Anhwei to vicinity Kinhwa on Nanching Railway one hundred miles southwest Hangchow. 1902

DDM

/FQ

6

his Affains

### TELEGRAM RECEIVED

EG This message must be closely paraphrased be-fore being communicated to anyone. (A-1)

January 4, 6 p.m.

FROManton via N. R.

Dated January 4, 1938

Rec'd 7 a.m. January 5th

Secretary of State,

Washington.

FROM ROBERTS FOR THE SECRETARY OF WAR

"Foreign source states heavy shipment of munitions including guns, trucks, armored cars and tanks moving nightly from Kowloon north on Hankow.

Personally inspected defense line about five miles from city extending from vicinity of White Cloud mountain southeast across the railway and Swatow Road. Gun emplacements being newly constructed in checker board lay-out with intervals and distances of one hundred to two hundred yards. Emplacements are about seventeen by fourteen feet and four and one half to five feet deep but progress not sufficiently advanced to determine the use. This appears to be final line  $^{\checkmark}$  of defense of city. Unable to observe preparations farther forward because roads closed and guarded, but fairly reliable reports state similar activity farther

east and also in Tsungfa area north of mountain.

Section of the second section of the second second

Bombs

793.94

793.94/11967

CORRECTED SECOND PAGE

DIVISION OF FAR EASTERN AFFAIRS

JAN 8 - 1938

Dapartment of State

-2- January 4, 6 p.m., from Canton.

Bombs dropped in raids since my arrival were some one hundred pound, most five hundred pound and on January lst according to foreign observer thousand pound bombs were used for first time here on main airfield. Hangars at field have been badly damaged but field is still being used for test flights of new (1) pursuit.

MB 434

Near outskirts of city north of park from 9 to 12 approximately two and one-half ton armored trucks mounting 20 millimeter gun. On raid signal they left park and took cover along roads with at least 200 yard distances.

Chinese reports state 30,000 Japanese troops moved from Shanghai to Formosa two weeks ago for organization as Account Expeditionary force for South China but (?) trouble in Manchuria sent there instead. No further signs Japanese activity this area".

Repeated to Hankow and Peiping.

LINNELL

RR:HPD

-2- January 4, 6 p.m. from Canton via N. R.

Bombs dropped in raids since my arrival were some one hundred pound, most five hundred pound and on January 1st according to foreign observer thousand pound bombs were used for first time here on main airfield. Hangars at field have been badly damaged but field is still being used for test flights of new (?) pursuit (!) near outskirts of city observed park (?) to 12 approximately two first (2) from armored trucks mounting/millimiter gun. On raid signal they left park and took cover along roads with at least two (2) yard distances.

Thinese reports state 30,000 Japanese troops moved from Shanghai to Formosa two weeks ago for organization manufacture for South China but (?) trouble in Manchuria sent there instead. Japanese activity this area".

Repeated to Hankow and Peiping.

LINNELL

RR:HPD

[CONFIDENTIAL]

### PARAPHRASE

A telegram of January 4, 1938, from the American Consulate General at Canton quotes a message for the Secretary of War from Roberts which reads substantially as follows:

Heavy shipments of munitions, including armored cars, trucks, tanks, and guns are moving each night from Kowloon north on Hankow (\*), according to information received from a foreign source.

A defense line about five miles from Canton extending southeast across the railway and Swatow Road from the vicinity of White Cloud Mountain was inspected personally by Captain Roberts. This line appears to be the final line of defense of Canton. Gun emplacements are being newly constructed in a checkerboard fashion with distances and intervals of two hundred to one hundred yards. Emplacements are about seventeen by fourteen feet and from four and one half to five feet deep, but construction is not advanced sufficiently to make it possible to determine their use. As the roads were guarded and closed Captain Roberts could not see preparations farther forward, but, according to fairly reliable reports, similar activity is going on farther east and in the Tsungfa area north of the mountain.

During the raids since Captain Roberts' arrival some of the bombs dropped were one hundred pound bombs; most of them were five hundred pound bombs. According to a foreign observer, on January 1 bombs weighing one thousand pounds were used on the main aimfield for the first time in the Canton area. Although considerable damage has been done to the hangars at the field the field is still being used for test flights of new (?) pursuit.

There were from nine to twelve armored trucks of approximately two and one-half tons each mounting twenty millimeter guns north of the park near the outskirts of the city. These trucks left the park and took cover along roadways with at least two hundred yards distance when/raid signal was given.

There were no other signs of Japanese activity in the Canton area. According to reports from Chinese sources, two weeks ago thirty thousand Japanese troops moved to Formosa from Shanghai in order to organise as an expeditionary force for South China but were sent to Manchuria instead (?) trouble there.

793.94/11967 6 9 C FE: ECC: HES 1-8

AUI FE DALE R JOHNSON, CHAIRMAN DON ELLINGER EXECUTIVE SEC'Y ® 6925 COLUMNIA, UNIVERSITY CITY, MO. 753 CLARK AVE .- WEBSTER GROVES, MO.

STA σ () (H) ₹  $\succeq$ 

December 15, 1937.

18801877 4 1888 ans d

Division

FAR EASTERN ALLATES DEC 1 7 1937

Honorable Cordell Hull, Secretary of State. Washington, D.C.,

143.94

My dear Sir:

The public needs considerably more information govermental policy in the Far East. A stream of incidents may carry us into a senseless war in the Far East if traditional governmental policies continue to be fallowed.

Is the U.S. government furnishing armed protection for the property and trade of U.S. corporations in China? Was the Panay convoying ships of the Standard Oil Co? What were these ships carrying? Were the ships proceeding toward or away from the scene of hostilities?

Is it true that for every two U.S. citizens in China, the United States is maintaining a soldier? What would have to happen in the Far Eastern disturbance to persuade the State Department and the President that the Oriental conflict is a war the meaning of the neutrality act?

> stum Dale R. Johnson, Chairman, Missouri Peace Action Committee. Whale R.

F.S.Please do not reply with usual form letter.

FOREST PARK SOUTH SIDE WASHINGTON UNIVERSITY

CONSTITUTE COMMITTEES UNIVERSITY CITY KIRKWOOD

WEBSTER GROVES

28th WARD, MAPLEWOOD

न Ø

January 4 1938

In reply refer to FE 793.94 Johnson, Dale R.

My dear Mr. Johnson:

The receipt is acknowledged of your letter of December 15, 1937, in which certain questions are asked with regard to the situation in the Far East. There follows comment on these questions.

In response to your inquiry whether the Government of the United States is furnishing armed protection for the property and trade of American corporations in China, I may say that the question of the types and degrees of protection which this Government should afford to its citizens abroad presents many difficulties and is one in regard to which opinions may very readily differ. In a situation such as has prevailed in the Far East there have been developed during more than a century certain rights, certain interests, certain obligations, and certain practices. In the light of peculiar features inherent in the situation, all of the major

Mr. Dale R. Johnson.

Chairman, Missouri Peace Action Committee, 6925 Columbia,

University City, Missouri.

793.94/11968

major powers have developed and employed, with authorization by the Chinese Government, methods for safeguarding the lives and interests and property of their nationals believed to be appropriate to the situation and warranted by the peculiarities thereof. Thus, for instance, there came about and there is still in existence the system of extraterritorial jurisdiction and various of its concomitants. Concurrently, many nationals of this and other countries have, during several generations, gone to China, established themselves there in various occupations and activities, and subjected themselves both to the advantages and to the disadvantages of the conditions prevailing there; and the American Government has, along with other governments, accepted various rights and incurred various obligations. In a situation such as now prevails, many of our nationals cannot suddenly cut themselves off from the past nor can the American Government suddenly disavow its obligations and responsibilities. The American naval vessels and the small contingents of American landed forces which have been maintained in China were placed and have been kept there solely for the purpose of assisting in the maintenance of order and security as affecting the lives, the property and the legitimate activities of American nationals, especially in regard

to conditions of local disorder and unauthorized viclence. These vessels and troops have never had in any sense any mission of aggression. It has long been the desire and expectation of the American Government that they shall be withdrawn when their appropriate function is no longer called for.

officers of the American Government have repeatedly and earnestly advised American citizens, in face of dangers incident to residence in China, to withdraw and are making every effort to provide safe means whereby they may depart. During the current situation in China the American military and naval forces have rendered important service in protecting the lives of American nationals, in assisting in evacuating Americans from areas of special danger, and in making possible the maintenance of uninterrupted communications with our nationals and our diplomatic and consular establishments in the areas involved.

With reference to your questions concerning the Panay and the ships belonging to the Standard Oil Company, it may be stated that these vessels were attempting to remove a number of persons, including the staff of the American Embassy, from the Nanking area in which hostilities were taking place.

In the early part of this year before the beginning of the present difficulties in China there were between ten and eleven thousand Americans in that country.

Latest reports indicate that this number has been reduced to approximately six thousand. According to the latest information in the possession of the Department, the strength of the American armed forces in China totals 3,915. Of this number approximately 1,500 represent reenforcements sent to Shanghai as a result of and in order to cope with emergency problems occasioned by the present situation in the way of protecting American nationals. There are in addition nine gunboats on definitive duty in Chinese waters with a total personnel of 69 officers and 896 men.

With regard to your inquiry concerning the application of the Neutrality Act to the situation now obtaining in the Far East, your attention is invited to the remarks of the Honorable Sam D. McReynolds, Chairman of the House Committee on Foreign Affairs, as set forth on pages 151, 152, and 153 of the Congressional Record of November 17, 1937. It is believed that you will find a satisfactory answer to the question raised in your letter from a perusal of Mr. McReynolds' statements.

Copies of the Congressional Record may be obtained from the

-5-

the Superintendent of Documents, Government Printing Office, Washington, D. C.

As of possible interest in this connection there is enclosed a press release issued by the Department on August 23, 1937, outlining the policy on which this Government is proceeding with reference to the situation in the Far East.

Sincerely yours,

For the Secretary of State:

Raymond C. Mackay Assistant Chief Division of Far East Affairs

Enclosures

Press release of August 25, 1937.

gg.C. FE:ÉC:HES 12-22,28,29

FE

4 CR JAN 3 1938. PM

RVH

2po fs dhr paid

FROM

Sr StLouis Mo 830am, Jan 7,1938

Ramond C Mackay ,

Washington Dc.

Reply displet Division of FAR EASTERN AFFAIRS

793.94/11968

For verification did you send letter to Dale Johnson StLouis answering questions regarding Far Eastern Affairs. Please rush

> m Assistant City Editor StLouis Star Times.

958am

answer.

ISER ON POLITICAL RELATIO JAN 7-1938 ARTMENT OF

793.94/11968

PREPARING OFFICE WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED CONFIDENTIAL CODE NONCONFIDENTIAL CODE

Charge Department

Department of State

PARTAIR ----PLAIN -

Charge to

Collect -

23 Collect

Washington,

January 7, 1938.

Nat. Laddin,

Assistant City Editor,

St. Louis Star Times,

St. Louis, Missouri.

Department of State on January 4 addressed to Dale Johnson, University City, Missouri, a letter in regard to the Far Eastern situation.

Carel Hell

Secretary of State.

cour FE: RCM: DT

SCHOOL CHA

81 2 Mg 7 NAL 8201

D. C. R.-No. 50

F.W.793.94/11968

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. dustafin NARS, Date 12-18-75 E. J. WALLACE COAL CO.

ANTHRACITE - BITUMINOUS - SMITHING

Coal and Cokethent of STATE 1205 OLIVE ST.

SAINT LOUIS AM 10 05

Jan. 21, 1938

Division of FAR EASTERN OFFER AN 31 1938

UIVISION OF COMMUNION TONS Mr. Raymond C. MddRay Asst Chief State Departments Division of Far Eastern Affairs Department of State Washington, D. C.

Mr. Mackay:

In the St. Louis Star-Times of Jan. 7 was an article containing a part of your reply to a St. Louis individual by the name of Dale R. Johnson, Chairman of the Peace Action Committee of Greater St. Louis.

Of course you do not know this fellow Johnson, but he is a publicity seeker and he is sort of the laughing stock of St.
Louis and St. Louis County to those who at one time considered that he might be of some weight and have some standing.

He tried to organize consumers cooperatives, and in the opinion of the people out here sometimes it looked as if it were a racket on his part in an effort to get certain retail organization in the city to get him to lay off of his activities.

Right now some people seem to think that this propaganda of his is an effort to attract the attention of those who might be interested in manufacturing munitions, etc.

However, he is a lightweight, he has no standing, and people generally regard him as a joke.

I write you this so that you will understand that letters from him should give you no great concern. He likes to annoy the government and to embarrass public officials whenever he can.

This is confidential, and you can find out more about this fellow from Congressmen Hennings, Anderson and Cochran of St. Louis.

Sincerely,

Mallace

EJW LH

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972

By Mitty 0, dustern NARS, Date 12-18-15

February 5 1968

In reply refer to

My dear Mr. Wallace:

The receipt is acknowledged with thanks of your letter of January 21, 1938, with regard to a letter relating to the situation in the Far East which the Department addressed on January 4 to Mr. Dale R. Johnson, Chairman of the Peace Action Committee of Greater Saint Louis.

Sincerely yours,

For the Secretary of State:

7. 143.94 11968

Maxwell M. Hamilton Chief Division of Far Eastern Affairs

Mr. E. J. Wallace,

TR 1205 Olive Street,

Smint Louis, Missouri.

FE:EGC:HES:MCM

FE

A true copy of the signed original

4530

# TELEGRAM RECEIVED

DIVISION OF EUROPEAN AFFANS **V**AN I 0 1938 DEPARTMENT OF STATE

vision of

EG This message must be closely papaphrased before being communicated to anyone. (B)

FROMETLIN

Dated January 5, 1938

Rec'd 1:3

Secretary of State, Washington.

3, January 5, 5 p.m.

In a conversation today with the Chief of the Far Eastern Section of the Foreign Office respecting the recently announced changes in the Chinese Government, particularly as affecting Chiang Kai Shek, he commented that Chinese internal affairs were most difficult of interpretation but that he felt that this change might have as a purpose the facilitating, with regard to the personalities involved, direct relations with Japan.

With reference to press accounts that Germany through the German Ambassador at Tokyo had made moves looking to act as mediator between the two parties, von Schmieden denied that any such action had been taken. He said that the German diplomatic representatives in China and Japan were naturally discussing with their colleagues and others the problem of the restoration of peace for which Germany was most anxious. It was evident, however, that for Germany to attempt to play the role of mediator before the time was auspicious for\_

a

4531

-2- No. 3, January 5, 5 p.m. from Berlin

a successful issue would not only serve no useful purpose but would probably place Germany in a most difficult position vis a vis both parties.

GILBERT

WWC:HPD

ΕG

FROM BRIGADE USMC

January 5, 1938

Rec'd 2:54 p.m.

ACTI ON: OPNAV AND CINCAF INFO:

ALCONSUL SHANGHAI COMBUSTON FIVE COMBUSTON FIVE COMMANGEAT COMSOPAT

AHAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING 100

Division of FAR EASTERNAFF HAS JAN **1**5

793.94

8605. Southward advance Tsinpu railway reaches Kufow 12 miles north Yenchow, Japanese claim Chinese abandoning Yenchow withdrawing towards Siuchow. Other fronts quiet. 1829.

CSB

793.94/11970

U

ΕG

FROMNCAF

January 5, 1938

Rec'd 2:35 p.m.

LOSTERNATIONS

ivision of

ACTION: OPNAV

INFO: ALCON SHANGHAI

AMEMBASSADOR CHINA AND SECRETARY OF STATE

793.94

0005. The following answer has been received from General Matsui in reply to letter given him on December twenty fourth:

"My dear Admiral. I beg to acknowledge the contents of the letter which I received from you on the occasion of my visit at the close of last year.

As I explained precisely to you the real intention of the Japanese army at my visit, I am confident that you are aware that the points you have raised in your letter are being gradually carried into execution.

For further details, I take the liberty to refer you to the information which will be conveyed by Japanese Consul General to your Consul General in the very near future.

I am, yours very sincerely, Iwane Matsui, General, Commander in Chief Japanese Expeditionary Forces in Shanghai area, China". 1724.

CSB

1.60

793.94/1197

11

LMS

FROM

COMSOPAT

S.SANT TO

January 5, 1938

Rec'd 6:02 p. m.

OPNAV INFO:

793.94

2nd BRIG USMC

COMSUBRON 5 COMDESRON 5 CINCAF

COMYANGPAT AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

0105 South China ports quiet 2000

SMS:EMB

795.94/11972

LMS

COMYANGPAT

FROM

January 5, 1938

Rec'd 6 p. m.

OPNAV

INFO:

2nd MARBRID USMC YANGPAT COMSUBRON 5 COMDESRON 5 CIN CAF COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD

ALUSNA PEIPING

793.94

0005 Nine heavy Chinese bombers attacked Wuhu airfield 0930 today. Other Yangtze ports quiet 2202.

SMS:EMB

793.94/11973

AN 7 - 1938 153

4532

#### TELEGRAM RECEIVED

JH5

GRAY AND SPECIAL GRAY

EG

FROM USS OAHU

Dated January 5, 1938

Rec'd 3:35 p.m.

Secretary of State,

Washington.

#4

January 5, 4 p.m.

DE FINd of a SEVERE

Arrived Wuhu at 10:30 a.m. at the end of a severe air raid carried out by Chinese planes. Nine Chinese heavy bombers dropped approximately 17 bombs on the airfield and an unknown number at four different places in the city of Wuhu. No American property was damaged and no Americans hurt.

McFadyen inspected American property elsewhere in company of Reverend L. R. Craighill Bear interviewed Dr. R. E. Brown of the Wuhu General Hospital. According to Dr. Brown during first week of occupation Japanese troops engaged in "ruthless treatment and slaughter of civilians and wanton looting and destruction" of private property in the city. Policing of foreigners have been respected but where property was left unguarded it has usually been pilfered. Japanese army, navy and Consular officials called on him separately to apoligize for the tearing of an American flag from hospital junk on

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December

WB -38

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4533

-2- January 5, 4 p.m. from USS OAHU

December 13th. Two American nurses, Miss Frances Culley and Mrs. Wilma May hope to leave Wuhu for Shanghai January 8th on the stromship WHANGPOO.

Standard Vacuum and Texas Installations pnharmed. Standard Installation entered and 14 and half tons fuel oil taken by Japanese navy for which receipt was left. Offices in city of both companies intact but completely rifled. Small safe in Standard Vacuum office broken open and contents gone but cabinet safe unopened. Dollar Company building intact but offices pilfered. Property of American Church and Christian Advent Mission intact and all American occupants safe.

Will submit detailed report by mail. OAHU left Wuhu at 2 p.m. and as we are returning large fires are visible all along south bank of river presumably of Japanese origin.
Sent to
Standard, Embassy Hankow, repeated Shanghai.

ALLISON

CSB

DEPARTMENT OF STATE

IMS
This telegram must be closely paraphrased be FROM fore bring communicated to anyone. (D)

Dated January 5, 1938

Secretary of State

JAN 6 1938

REC'd 6:25 p. m. POLITICAL PELLY TO MH. PLAN - 1938 SEPARTMENT OF STATE

20, January 5, 8 p. m. (SECTION ONE)

STRIFT CONFIDENTIAL FOR THE SECRETARY.

Leger who in the absence of Delbos is in charge of the Foreign Office stated to me today that it was the most ardent hope of the French Government that our Government might not become involved in war in the Far East. He added that he made this statement not for humanitarian reason's but because he felt certain that if we should become involved in war against Japan the British would be compelled to follow us and would be unable to act in Europe. This would mean that the position of France in Europe would be so greatly weakened that Germany and Italy would strike immediately. France would be left to defend her frontiers and her allies against the combined forces of Germany and Italy. That would be beyond her strength. He felt certain therefore that the involvement of the United States in war in the Far East would mean catastrophe for France and for Europe.

BULLITT

SMS:NPL

793.94/11975

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840,00

LMS
This telegram must be closely paraphrased before being communicated to anyone. (D)

FROM Paris

Dated January 5, 1938
Rec'd 6:35 p. m.

Secretary of State, Washington.

20, January 5, 8 p. m. (SECTION TWO)

Leger added that he knew there were various forces in England which were doing their utmost by methods open and secret to persuade the United States to act against Japan. He said that he had discussed the possibilities of British action in the Far East at great length with various English statesmen and diplomats recently. He could assure me that there was not the slightest chance that England would to go war with Japan no matter what insults she might receive from Japan and no matter how serious might be Japanese aggression against her interests and possessions in the Far East. The British Government had no illusion that it could carry on a war successfully in Chinese and Japanese waters. A joint action in which the United States would carry the major portion of the burden would be quite another matter.

His latest information from Russia was that the Russian

LMS 2-No. 20, January 5, 8 p. m., Sec. 2, from Paris.

Russian Government would continue supplying arms and munitions to Chiang Kai Shek but positively would not become involved in the war.

BULLITT

SMS:NPL

sms FROM
This telegram must be closely paraphrased before being communicated to anyone. (D)

Paris Dated January 5, 1938
Rec'd 6:40 p.m.

Secretary of State,
Washington.

20, January 5, 8 p.m. SECTION THREE

He believed that Chiang Kai Shek probably would retire into Szechuan and continue to fight but he was not sure that this was so. Chiang Kai Shek unquestionably desired to continue the war and to avoid negotiations but there were many other leaders in China who desired to enter into negotiations. The Chinese had consented to receive terms of peace from the hands of the German Ambassador in spite of the advanced warnings of the French Foregin Office as to the nature of the terms. This seemed to him to indicate that the will to continue fighting was not in China so strong as he would like to see it.

Leger was less pessimistic than Chautemps with regard to the ultimate effects of Goga's appointment as Prime Minister of Rumania. He said that the King

had

sms 2 - No. 20, January 5, 8 p.m. from Paris. Sec. 3

had said to the French Minister in Bucharest that
the Prime Minister would have nothing to do either
with foreign affairs or with military affairs. He,
the King, would control Rumanian policy in both these
fields and he would be entirely faithful to his friendship with France. Leger stated that General Avarescu,
the new Rumanian Minister for War, had accepted the
office only after pledges from the Prime Minister and
the King that the policy of friendship with France
should not be abandoned.

BULLITT

sms

npl

This telegram must be closely paraphrased before being communicated to anyone. (D)

Paris - 1

Dated January 5, 1938
Rec'd 6:40 p.m.

Secretary of State, Washington.

20, January 5, 8 p.m. SECTION FOUR'
Finally, Leger stated that Goga himself had said to
the French Minister that both foreign affairs and
military affairs were not under his control but under
the control of the King. Leger added that the military supplies which France had promised to Rumania
would continue to be sent to Rumania; but would be
delivered with an eye-dropper, very little at a time
in return for good behavior.

Leger insisted that accord was now perfect between France and England with regard to the policies to be pursued vis-a-vis Germany and Italy. Chamberlain was as convinced as the French Government that no acceptable agreement could be made with Mussolini unless an agreement should have been made previously with Germany. The French and British Governments while

sms 2 - No. 20, January 5 from Paris. Section 4 while continuing to rearm as fast as possible would therefore speak softly and amiably to Germany and ignore Italy.

END OF MESSAGE

BULLITT

sms

Emb

# TELEGRAM from BULLITT at PARIS, dated January 5, 1938

## re statements by Leger

#### DISTRIBUTION:

Office Symbol	Office Title	Chief, or Head of Office
S	Secretary	Cordell Hull
υ	Under Secretary	Summer Welles
C	Counselor	R. Walton Moore
A-M	Assistant Secretary	George S. Messersmith
A-S	Assistant Secretary	Francis B. Sayre
A-W	Assistant Secretary	Hugh R. Wilson
PA/H	Adviser on Political Relations	Stanley K. Hornbeck
PA/D	Adviser on Political Relations	James C. Dunn
EU	Division of European Affairs	Jay Pierrepont Moffat
FE	Division of Far Eastern Affairs	Maxwell M. Hamilton
R▲	Division of American Republics	Laurence Duggan
NE	Division of Near Eastern Affairs	Wallace Murray

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Milton 0. distriction NARS, Date 12-18-75 W

The Ballitt embled from Paris that Lager, in charge of the Certific Office in Delbes' absence, had told him that the French Coverment was very apprehensive lest the United States become involved with Japan. Leger said that alone Britain would do mething in the Far East, no matter how insulted. But if the United States should go to war with Japan, Britain would join in and this would leave France alone in Europe. Leger said that in such an eventuality Germany and Italy would strike at once and France would be no match for them.

ALFRED N. PHILLIPS, JR.

743.94

VINCENT CALLAHAN

FAR EASTERN ALPAINS

JAN - 6 1938

# RECE 123 Congress of the United States 1 PARTHEN OF STATE Pouse of Representatives

1938 JAN 6 AM 9 18

Washington, D. C.

DIVISION OF COMMUNICATIONS AND RECORDS

January 4, 1938.

Honorable Cordell Hull, Secretary of State, Washington, D. C.

My dear Mr. Secretary:

Thank you for your letter of December 28 together with enclosures giving me factual information on the sinking of the U.S.S. Panay.

I will give study to this material at the earliest opportunity and appreciate your courtesy in sending it to me.

Very sincerely,

Alfred N. Phillips, Jr.

ANPjr\*L

Ser - 188

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l

46.18

793.94/11976

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C. JASPER BELL, M. C. FOURTH DISTRICT MISSOURI

793.94

COMMITTEES

HOME ADDRESS:

804 BRYANT BUILDING E.C. ...
KANSAS GITY, MO. M.E.N. OF STATE

# Congress of the United States

House of Representatives

Washington, D. C.

1938 JAN 6 AM 9 06

January 4, 1937

DIVISION OF COMMUNICATIONS AND RECORDS

Hon. Cordell Hull

The Secretary of State

Washington, D.C.

Division of FAR EASTERN ATTAINS JAN ~ 6 1938 Department of State

My dear Mr. Hull:

193.94/11733

Thanks for your letter of recent date advising me of the proper reply to make to the letter of Mrs. C. Butterworth of Kansas City, Missouri, concerning the evacuation of China by American citizens.

I am sure that your letter will explain this matter adequately for Mrs. Butterworth to comprehend.

Make Gel

793.94/11977

FE

793.94/11978

#### TELEGRAM RECEIVED

JR

GRAY

FROMINGtao via N. R.

Dated January 6, 1938

Rec'd 8:05 a.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND M.I.D./

793.94

For War Department From Dorn.

Priping and Hankow please transmit to Military Attache No. 11, January 6, 5 p.m.

Bridge at Kingchih, 35 miles southeast of Weihsien, destroyed. Main body of 51st army reported south of Chucheng on withdrawal to south. Japanese advancing south on Tsinpu Railway reported from Hankow as having occupied Kufow, 100 miles north of Hsuchowfu. Third Route army offering little or no resistance and is reported as retreating rapidly. Kiauhsien, 31 miles northwest of Tsingtao, bombed yesterday. Chengyang and Tsingtao quiet.

SOKOBIN

RR:WWC

AN 3 - 1938

4

EG

FROMAY

Hankow via N. R.

Dated January 6, 1938

Division of

Rec!d 2:15 p.m.

Secretary of State, Washington.

8, January 6, 3 p.m.

Location American property.

My circular instruction of January 6, 11 a.m. to Tientsin, Chefoo, Tsingtao, Foochow, Amoy, Canton, 193.94///9.
Swatow, Thumanfu and Nanking Embodies Shanghai's 3, January 2, noon, and my January 5, 5 p.m. to Shanghai, which instructed Shanghai in the light of Department's 4, January 4, 3 p.m. Repeated to Peiping.

JOHNSON

WWC: HPD

793.94/11979

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitm 0. Sustain NARS, Date 12-18-75

NAVAL RADIO PREPARING OFFICE TELEGRAM SENT TO BE TRANSMITTED CONFIDENTIAL CODE Collect Charge Department Department of State PARTAIR Charge to PLAIN \$ Washington, 1938 JAN 9 PM 12 31 January 9, 1938 DIVISION OF COMMITTIONS AFTER CONTRACTORS AMEMBASSY wid NR HANKOW (CHINA) If you have not already done so, please communicate to Shanghai and to the other consular office mentioned / 193.94/1979
in your 8, January 6, 3 p.m., the text of the Department's 7, January 7, 7 p.m. H-ee Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_, 19\_\_\_

D. C. R.-No. 50

LMS

FROM BRIGADE USS MC

January 6, 1938

Rec'd 5:14 p.

ACTION: CINCAF

OPNAV

INFO:

AMCONSUL SHANGHATA

COMSOPAT

AMBASSADOR CHINA USS MARBLEHEAD COMBUBRON 5 COMDESRON 5 COMYANGPAT

ALUSNA PEIPING

COPNS SHAL DM.A.K.

793.94

8606 Japanese resumed northward advance southern section Tsinpu Railroad and Grand Canal now approximately 50 miles south Pengpu. Occupation Yenchow confirmed Japanese now reached Tsining 20 miles farther south. Bombing raids on Hankow Huchow and points along Lunchai line. Organization local puppet government making slow progress due fear of responsible Chinese to assume membership. Japanese censors installed in local cable office today 1852. SMS:NPL

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4534

# TELEGRAM RECEIVED

LMS

PLAIN and GRAY

Shanghai via N. R. Dated January 6, 1938

Rec'd 4:55 p. m.

Secretary of State,

Washington.

28, January 6, 10 p. m.

Following received from Tokyo and repeated to

Hankow:

"RUSH. January 2, 1 p. m. Our December 29, 1 p. m. Foreign Office requests that maps referred to be forwarded to Tientsin or Peiping to be turned over to the Japanese Forces there as soon as possible as operations around Hsuchow are about to begin. Grew."

Following reply from Hankow has been repeated to Tokyo:

"It is impossible for Consulate Hankow to furnish maps to Tientsin at this time there being no communication with that office. American property in Hsuchow has been marked with flags. Dr. Brown has been told about use of white flags with blue cross. Japanese forces should be instructed to use all care in attack on Hsuchow to identify and refrain from attack upon American property here. Johnson." GAUSS

RGC:SMS

4535



# TELEGRAM RECEIVED

FROM

LMS

COPIES SENT TO O.N.I. AND M.I.D.

PLAIN

Hankow via N. R. Dated January 6, 1938

Rec'd \$:23 p. m.

Secretary of State,

Washington.

11, January 6, 6 p. m.

Under date January 5 I replied informally to the Minister for Foreign Affairs that arrangements are being made to inform the Chinese air force through him of designated anchorages and movements of American naval and commercial vessels but I pointed out that in times of emergency it is often necessary to move naval vessels on short or no (repeat no) notice. I expressed the expectation of my Government that in making attacks the Chinese air forces will identify targets before attacking. I then detailed approximately positions of naval vessels and gave distinctive markings

Sent to the Department. Repeated to Shanghai and Priping. Shanghai inform CINC.

and requested that every precaution be taken against

**JOHNSON** 

SMS:NPL

inflicting injury to them.

LMS FROM This telegram must be closely paraphrased be-fore being communicated to anyone. (D)

DEPARTMENT OF ST

Dated January 6, 1938 Rec'd 3:15 p. m.

Secretary of State.

Washington.

JAN 7 1938

CHETAHY OF STA

NOTED 25, January 6, 6 p.



STRICTLY CONFIDENTIAL FOR THE SECRETARY.

In the course of conversation today Blum said to me that he had authoritative information on the present point of view of the Soviet Government with regard to the Chinese Japanese conflict. The Soviet Union would continue to assist China with supplies but would not enter the war unless either the United States or Great Britain should be drawn into war with Japan. He was certain that if Great Britain should be compelled to fight Japan the Soviet Union would make war on Japan at once.

Blum said that he had read only a precis of "Van Zeeland's report but that there was enough in the precis to convince him that no progress could be made along the lines suggested by Van Zeeland. He felt certain that neither Germany nor Italy would stop its movement toward autarchy and he believed that any proposal which involved negotiations between

England,

93.94/11983

1911 2031 May

THE REAL PROPERTY AND ADDRESS.

LMS 2-No. 25, January 6, 6 p.m., from Paris.

England, France, Germany and Italy, even with the addition of the United States, smacked too much of the old four power treaty to be acceptable to democratic opinion anywhere in Europe. He said that he would expect great opposition to this in Europe to say nothing of the opposition from Poland, the Soviet Union and Czechoslovakia.

BULLITT

CSB

4536

DEPARTMENT OF STATE

Memorandum of Conversation

M IN 53

DATE:

January 3, 1938.

Far Asstern Conflict.

PARTICIPANTS:

COPIES TO:

SECRETARY OF STATE AND THE

The Chinese Ambassador came in upon his own request. I first inquired about the general situation in China. He seemed not to have any particular information, more than what I already had. He then said that Chiang Kai-shek is relinquishing his position as head of the civil department of the Government in order to give his entire attention to military operations, and is placing Dr. H. H. Kung in charge of the civil affairs of the Chinese Government. The Ambassador next offered his personal view that Chiang Kai-shek should have taken this step six months ago.

I inquired as to when, in the opinion of the Ambassador, the Chinese Government would feel obliged to move from

Hankow

16

Hankow to Chungking. He replied that he did not think they would move from Hankow at all soon; that they would not move until and unless the capture of Hankow was more or less imminent. I then asked as to what the Japanese situation with respect to Hankow seemed to be. He said that the Japanese had not advanced farther in that direction than to a point not far above Wuhu and was showing no disposition at present to move ahead. I inquired whether he had any late information about conditions in Nanking, and he said that he did not.

I then inquired whether his Government is getting any supplies through French Indo-China, and he said he understood that a certain amount is being gotten across by making detours. I was not much impressed with the earnestness of this statement. I inquired what would be done with the locomotive being shipped from this country this week, and he replied that it would be shipped to Hong Kong; that it could not go across the narrow-gauge road in French Indo-China.

I inquired if the Ambassador knew what the Russian state of mind is with respect to the Chinese-Japanese situation. He said he had nothing new upon that subject. Another inquiry was whether in his judgment the internal troubles in Russia are creating a feeling on the part of

all other nations that Russia would be correspondingly engrossed without any definite program relating to international foreign policy, especially in the Far East. To this he readily agreed.

The Ambassador then brought up the question he had in mind in coming to the Department today, and he proceeded to say that at the Brussels Conference some weeks ago Dr. Wellington Koo took up with the representatives of Britain, France, and the United States, the necessity for a loan from these three governments for China, of five hundred million dollars with which to purchase munitions, arms, and implements of war, and that the impression was left with Dr. Koo that the matter would be given further attention by this Government and presumably a more definite answer made than Mr. Norman Davis had given in Brussels. Before making reply to the Ambassador's question, I inquired as to the amount and location of the gold and silver reserves of China. He was vague as to the amount. He said they had certain amounts in certain cities in China, also in London, in Hong Kong, and in the United States. I inquired then as to how long the Chinese Government could go forward on its own resources, incidentally

citing

- 4 -

citing the fact that it had proceeded already for six months. The Ambassador replied that it could probably go on another six months on its own resources, and he then proceeded to emphasize the view that it was important and necessary that the Government should look ahead and plan accordingly; hence the desirability and urgency to ascertain about the possibilities of the requested loan of five hundred million dollars. In that connection, I remarked that of course the Ambassador was thoroughly familiar with the fact that our entire market for arms, ammunition, and implements of war, is open in this country; that transportation is easily possible; that we are carrying forward our silver purchases from China; that the Export-Import Bank is discounting certain commercial paper for locomotives, etc. The Ambassador agreed with expressions of appreciation on behalf of his Government.

I then recurred to his inquiry, and said I was sure that he recalled the conversation which took place at Brussels, to the effect that Mr. Norman Davis had stated that only Congress could authorize a loan in any amount by the Government of the United States, while the British then or thereafter indicated that they were completely

The property of the second second

- 5 -

completely preoccupied at the time in producing armament supplies for themselves. I then said that there had been no developments with respect to this matter since the Brussels conversations; that I could not undertake to speak for Congress in regard to possible legislation authorizing a loan; that, in the circumstances, I would not be frank, as I always desired to be, if I offered any comment as to the situation beyond what was said at Brussels, except that this is a matter which comes under the authority and jurisdiction of Congress. The Ambassador indicated he understood this view, and then suggested that perhaps the President and the executive branch might have influence with Congress in carrying out a program such as he was proposing. I replied that in some and possibly many instances this would be true, but that the Congress itself is giving increasing attention to our foreign affairs and especially to conditions in the Pacific area, and that it would have definite opinions in regard to the question of a loan and hence would not be susceptible of influence by the opinions of the executive or other branches of the Government; that in any event I could not and would not, in justice to all concerned, undertake to comment

4541

- 6 -

comment as to the future in this connection but only stand on what has been said to the effect that the Congress alone has jurisdiction and must be looked to for the necessary legislation. The Ambassador sought to induce me to say that the matter was still under advisement and that there were possibilities of a different decision in the future. To this I again promptly brought him back to my statements which I have just recorded and I made the matter most definite by a further statement that I was not called upon to speak except as to the present; that I had spoken definitely as to the present; and that the future would have to take care of itself. The Ambassador did not seem at all surprised.

With reference to the report of the Japanese Government's peace terms to the Chinese Government, I remarked that, having been confined at my apartment with a severe cold for some days, I had not seen and conferred with the President in the meantime; that I was informed the Chinese Ambassador had had a conference with the President and, in order that there might be no crossing of wires, I might inquire whether the Chinese Ambassador had discussed the Japanese peace proposals in the presence of the President; if so, whether the President had offered any comment

4542

- 7 -

peace proposals. The Ambassador replied without hesitation or equivocation that the peace proposals were brought up in his talk with the President, but that the President said not one word touching the merits or demerits of the peace proposals. I did not say to the Chinese Ambassador that my inquiry was due to the fact that a despatch from Johnson in China, repeating a report that had reached him, was to the effect that the President had in fact commented on the merits of the peace proposals and had indicated definitely to the Chinese Ambassador that the Chinese Government should view them as favorable proposals.

C.H.

S CH:HR

JR

COMSOPAT

FROM January 7, 1938

Rec'd 4:45 a.m.

vision of

ACTION: OPNAV

INFO:

SECMARBRIG COMSUBRON FIVE COMDESRON FIVE

COMYANGPAT AMAMBASSCHINA USS MARBLEHEAD ALUSNA PEIPING

0106. South China ports quiet. 2000.

JS

193.94

EG

793.94

FROM

Tsingtao via N. R.

Undated

Rec'd 4:45 a m. Jan.7,1938

Secretary of State,

Washington.

HES SENT TO

vashington. AND M.I.D.

FOR MAR DEPARTMENT FROM DORN.

Peiping and Hankow please transmit to Mylitary Attache.
No. 12, January 6, 4 p.m.

Japanese advance from south on Tsinpu Railway reported to have reached a point 65 miles southeast of Pengpu, Anhwei Province. Hanfuchu reported as having left his army and flown to Kaifeng and mayor Shen en route by automobile to Houchowfu. I believe Tokyo broadcast announcing departure for their posts of Japanese consuls formerly stationed at Tsingtao and Tsinanfu indicates that Japanese do not expect hostilities in Tsingtao or East Shantung. I believe that no strong resistance can be expected north of the Lunghai Railway area. Sintai, 35 miles southeast of Taian, has been occupied by the Japanese. The motor road at Lini, 130 miles southwest of Tsingtao, according to a report, has been closed by 50 tanks of undetermined nationality. Lini is 70 miles southeast of and connected by road with Sintai.

SOKOBIN

4

JS

#11# F/F

4543

JR

GRAY

Tsingtao via N. R. FROM Dated January 6,/1938 7th.

Rec'd 4:45 a.m.

Secretary of State.

Washington.

COPIES SENT TO G.N.I. AND M.I.D.

January 6, 9 a.m.

It is understood that a Tokyo broadcast last night reported that the Japanese consuls at Tsingtao and Tsinanfu will immediately return to their respective posts. It would appear, therefore, that the Japanese Government assumes there will be no serious hostilities in the Tsingtao and Tsinanfu districts. As regards the latter there is now no possibility of such military action since the Japanese army is already 75 miles south of Tsinanfu. As regards Tsingtao there can also hardly be any question, for best information in China indicates Chinese forces have withdrawn from Tsingtao for a distance of at least 100 miles. But with the return of the Japanese commercial community a Japanese garrison at Tsingtao may be expected in addition to the presence of men of war. Also since the yen forty million treasury notes secured by the Tsingtao-Tsinanfu Railway fell due to the Japanese Government on December 31 last, and since so much sabatage has recently occurred on

11

793.9V

4544

-2- January 6, 9 a.m., from Tsingtao via N. R.

WB9 38

that some railway, Japanese garrisons may be expected to be maintained in the region of the line even if no Chinese forces on the western section of the line are encountered.

Possibly the return of Japanese commercial community to Tsingtao may be delayed because of the necessity to effect arrangements for transporting, and financial support, but the return of the Japanese consuls general to Tsingtao and Tsinanfu at this time would indicate that Japanese economic and political factors in Shantung are taking precedence over the military, particularly in the Tsingtao area.

Sent to the Department, Hankow, Peiping.

SOKOBIN

JR

COMYANGPAT

FROM 7, 1938

Rec'd 5 a.m.

ACTION: OPWAV

INFO:

CINCAF(FLAG) COMSUBRON FIVE COMDESRON FIVE

COMSOPAT

CINCAF(ADMIN)
AMAMBASSCHINA
USS MARBLEHEAD
ALUSNA PEIPING

193.94

0006. Approximately twenty medium Jap bombers accompanied by pursuits bombed Tuchang and military airfield Hankow 1300 today. Other river ports quiet. 2235,

 $\mathbb{D}\mathbf{D}\mathbf{M}$ 

### **DEPARTMENT OF STATE**

DIVISION OF FAR EASTERN AFFAIRS

Rem no action on Tsinglais fan 6, 3 pm mould appear to be necessary. Tsingless in its Jan 10, 5 pm reports peaceful occupation of Tsinglass & Japanese navel face and expression of appreciation by latter for policing & roreign policy volunteers. Fina. maa.

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitty 0, Susias NARS, Date 12-

TELEGRAM RECEIVED

Tsingtao Via N. R.

FROM ted January 6, 1938

Rec'd 4:45/a.m. Jan.7th

Secretary of State, ....

EG

Washington.

January 6, 3 p.m.

With reference to Peiping's January 2, 11 a.m; and Hankow's January 3, 3 p.m. quoting two telegrams from the Embassy at Tokyo in regard to the safety zone at Edgs/water Point, this Consulate would point out that the provisions for concentration of American and other foreign nationals at Edgewater Point were made at a time when Chinese military and naval forces occupied Tsingtao and the situation was such that Sino-Japanese hostilities might occur here at any time. The question of the recognition by Japanese of a local safety zone was raised by the Consular Corps in Tsingtao on December 21. But since that time the situation has changed markedly. All Chinese military and naval forces have withdrawn from Tsingtao. No naval forces exist anywhere near Tsingtao, and it can safely be stated that the nearest Chinese military forces are at a distance of at least 100 miles from the city. Tsingtao can now without question be (\*) as an undefended city. There can therefore be no possibility of hostilities which might endanger the

lives

-2- January 6, 3 p.m. from Tsingtao via N. R.

lives of residents. This Consulate therefore has the honor to suggest that the status of Tsingtao as a safe city be recognized officially by the Japanese Government so that Americans may be assured of freedom of movement to reside or to carry on their business in any part of the city without the likelihood of being compelled by Japanese order to concentrate at Edgewater point, in the event that it appeared that a zone of operations must be created within certain area of the city where movement of foreigners will be restricted. Sent to Hankow, Peiping.

SOKOBIN

RR:WUC

(\*) Apparent omission

PREPARING OFFICE WILL INDICATE WHETHER

Collect

Charge Department

Charge to s

Department of State

TO BE TRANSMITTED CONFIDENTIAL CODE V NONGONFIDENTIAL CODE €

PARTAIR

Washington, by Harl Radio

1938 JAN 12 PM 5 48

January 12, 1938.

AMERICAN CONSUEOMMOTOR CTONS

TSINGTAO (CHINA). U.

793.94/11989

Your January 6, 3 p.m.

In view of the present situation at Tsingtao, the Department assumes that action is no longer necessary or desirable in reference to the recommendation contained in the last sentence of your telegram under reference. Please confirm.

Please repeat/your reply to Tokyo.

H-le

JAN 12 1938.

Enciphered by								
Sent	by operator	М.,,	19					
:	D. C. RNo. 50	1-1462	U. S. GOVERNMENT PRINTING OFFICE					

7a3.94

## DOCUMENT FILE

## NOTE

SEE 890.00/74	FOR Memor andum		
State Department FROM Far Eastern Division	(Jones ) F	DATED Dec. 31, 1937	
то	NAME	11127 ere	
DECADDING, Sino-Japanese situ	etian: Beneat of et	******	

events for week ending Dec. 31, 1937.

88

11990

## DOCUMENT FILE

## NOTE

SEE 123	Sprouse, Philip D./46 FOR #1502		
FROM Chin	a (Lockhart )DATED Dec. 29,	1937	
POLY.	NAME 1—112:	94/	
REGARDING:	Observations on rail trip from Peiping to Tokyo with regard to military activity, troop movements, railway construction and general evidences of war submitted by Philip D. Sprouse, courier.		
		N⊢	

McC,

7,00611

ASAA

## TELEGRAM RECEIVED

JR

1—133

FROM

Shanghai via N. R.

Dated January 7, 1938

Rec'd 2:06 p.m.

Secretary of State,

Washington.

29, January 7, 2 p.m.

Following from Tokyo:

"January 7, 1 p.m. Your January 6, 9 p.m., Hsuchow

safety zone.

Foreign Office informed.

Please repeat to Hankow. Grew".

Sent to Hankow.

GAUSS

HPD

793.94/11991

1

LMS

2nd BRIGADE USMC

FROM

January 7, 1938

Rec'd 5:05 p. m.

CINCAF OPNAV

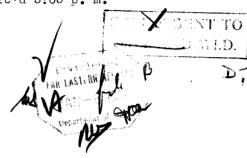
INFO:

AMCONSUL SHANGHAI COMSUBRON 5

COMDESRON 5 COMSOPAT

AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSMA PEIPING JONYAMGPAT



793.94

8507 Morthward advance Tsimpu line reached Kiashan Fort, three miles southeast Pengbu, column driving north on Grand Canal held up immediately north Kaoyu by stiff resistance. Japanese have captured Mengyin eighty-five miles east Yenchow situated west Hangchow Kwatsteh Wuhu station 1856

SMS:NPL

FROM

LMS

GRAY

Shanghai via N. R.

Dated January 7, 1938

Rec'd 7: 13 p. m.

Secretary of State,

Washington.

COPIES SENT

793.94

37, January 7, 9 Hankow's January 7/6 p. m.

Maps showing location of Hsuchow refugee areas forwarded by mail to Embassy for delivery to Japanese military authorities.

Sent to Hankow. Repeated to Department and Tokyo.

GAUSS

SMS:EMB

EDA This telegram must be closely paraphrased before being communicated to anyone (a)

CANTON VIA N.R.

FROM Dated January 7, 1938 Received 2:55 p.m.

Secretary of State Washington

dpies sent to O.N.I. AND M.I.D.

Division of

793.94

January 7, 10 p.m.

FOR AMILAT.

FROM ROBERTS FOR THE SECRETARY OF WAR.

"Following from very reliable Chinese source: Kwangtung regular troops are organized in ten divisions. When four divisions went to the front in Central China, cadres of officers and noncommissioned officers were kept at the home stations and immediately recruited to full division strength. A division consists, like those of the Central Government, of two brigades of two infantry regiments each. (The brigade is a purely administrative unit unless acting alone). The army corps artillery regiment has been split up so as to assign one battalion of twelve to fourteen 75 millimeter mountain guns to each division. Newly added to the division is a motorized machine gun battalion of about sixteen 30 caliber and eight 50 caliber guns. Total division strength something under 10,000. The Fourth Route Army also has one independent artillery

EDA - 2 - January 7, 10 p.m. from Canton

WB 8 /3 8

artillery 'regiment" of eighty guns under direct and control of the Route Army commander (?) besides

a Lieutenant outler. It consists of approximately
two thirds 75 millimeter guns and one third 105
howitzers. At present detachments from this army
are stationed in various parts of the province detached
to the support of army corps or divisions. There is
no cavalry. Troops of armored cars are in use.

Distribution at present: Two divisions in the Hainan Island Luchow Pepinsular Pakhoi area (with three divisions of Kwangsi troops along the southern interprovincial border), two and a half divisions in the Canton area, two and a half divisions in the Waichow area, two divisions in the Swatow Amoy area, and one other division present location unknown.

700,000 militia in the province are actually undergoing some form of training. About sixty percent are armed although admittedly some of the weapons are not of the best. Of this sixty percent about forty percent or 160,000 are organized so that they can be used as reserve troops; the remainder will be used as partisan bands in their respective districts.

According to this source the Chinese expect the Japanese

EDA - 3 - January 7, 10 p.m. from Canton

Japanese to invade South China sooner or later with main landings at Bias Bay, or in the vicinity of Hainan Island either north of Kwangchowwan or in the Pakhoi region.

They do not (repeat not) expect a landing in force in the Pearl River delta because of shoal water and the obstacle to operations on the delta itself, nor at Swatow chiefly because of the very rough country north and west of that city, (\*\*)".

Sent to the Department. Repeated to Hankow and Peiping.

LINNELL

NPL:SMS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. dustefan NARS, Date 12-18-75

[COMPIDENTIAL]

## PARAPHRASE

A telegram of January 7, 1938, from the American Consulate General at Canton quotes a message for the Secretary of Wer from Roberts which reads substantially as follows:

The information given below has been received from a very reliable Chinese source. Regular troops of Kwangtung province are organized in ten divisions. Like those of the Central Government, a division consists of two brigades of two infantry regiments each. (Unless acting alone the brigade is a purely administrative unit.) Cadres of officers and noncommissioned officers were retained at the home stations when four divisions went to the front in Central China. These cadres were recruited immediately to full division strength. A motorized machine-gun battalion of about eight 50 caliber guns and girteen 30 caliber guns has been newly added to the division. The army corps artillery regiment has been broken up in such a way as to assign to each division one battalion of twelve to fourteen 75 millimeter guns. The total division strength is something less than ten thousand. The Fourth Route Army also has one independent artillery "regiment" of eighty guns of which approximately one third are 105 howitzers and two thirds are 75 millimeter guns. This regiment is under the direct control of the Route Army commander (?) besides a Neutenant Cuyler. Detachments from this army are stationed at the present time in different parts of the province detached to the support of the divisions or army corps. Troops of armored cars are in use. There is no eavalry.

The present distribution is as follows: Two and one-half divisions in the Waichow area, two and one-half divisions in the Canton

Centon area, two divisions in the Swatow Amoy area, two divisions in the Hainan Island Luchow Peninsular Pakhoi area (with three divisions of troops from Kwangsi province along the southern interprovincial border). There is one other division the present location of which is not known.

Some form of training is actually being given to seven hundred thousand militia in the province. Although some of the weapons are admittedly not of the best, about sixty percent cent are armed. About forty percent of the sixty percent or one hundred sixty thousand are organized so that they can be employed as reserve troops. The remainder will be used in their respective districts as partisen bands.

Information from this source is to the effect that

Japanese invasion of South China sooner or later is expected
by the Chinese with main landings in the vicinity of Hainan

Island either in the Pakhoi region or north of Kwangehowwan
or at Bias Bay. The Chinese do not expect a landing in force
at Swatow principally because of the very rough country west
and north of that city (?). Heither is a landing expected
in the PearlRiver delta on account of shoal water and the
obstacle to operations on the delta itself.

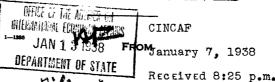
795.94/11994

FE:ECC:HES 1-8 ALL

JAMS

## TELEGRAM RECEIVED

EDA



OPNAV WASHINGTON

VFO CINCAF AMBASSADOR C POLY SENT TO SER DEV

0007 Recent approximate survey made by Shapehai

not ,

Municipal Council on damage done to factories and workshops in northern and Eastern areas of Settlement estimate 905 enterprises mostly Chinese totally destroyed by fire and in addition 1000 Chinese factories and workshops damaged more or less seriously including damage to machinery and looting of premises. Only foreign owned industry in position to operate. Only two Japanese mills of any size known to have been destroyed. Above substantiates reported Japanese policy to destroy Chinese industrialism 1345.

SMS: EMB

JR

GRAY

Tsingtao via N. R. FROM Dated January 8, 1938

Rec'd 4 a.m.

Secretary of State,

Washingtor.

January 8, 2 p.m.

Twelve Japanese war ships now entering harbor

SOKCBIN

CA:RR

793.94/11996

JR

SECOND BRIGADE USMC

January 8, 1938 Rec'd 8:11 a.m.

CINCAF ACTION: OPNAV

INFO: AMCONSUL SHANGHAI COMSUBRON FIVE COMDESSON FIVE COMYANGPAT COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

8068. Southward advance Tsinpu line reached Liangsiatien 24 miles south Yenchow parallel column to eastward captured Lishan 23 miles Southeast Mengyin. As result rapid Japanese advance Chinese troops on Lunghai between Hsuchow and Haichow ordered withdrawn to Hsuchow. 1825.

RR

This message "Must be closely paraphrased before being communicated (A) to anyone.

FROM

 $\tau$ 

Hankow via N. R. January 7, 1938

Rec'd 7:37 p.m.

Secretary of State, DOTAL

> 12, January 7, 10 a.m. C

FAR EASTERN AT

Eighteen heavy bombers accompanied by twelve pursuits bombed commercial air field Wuchang from southward at 1:00 p.m., January 6; continued north bombing Hankow military field and departed down river. Weather was overcast, cailing 9,000; planes flying at about 8,000, dropped about twenty 50 kilo bombs on first objective and forty on second. Damage negligible except to slums near military field where fourteen people killed, twenty-one injured. Chinese aviation withdrew when alarm sounded lacking sufficient strength to attack. One plane burned on field. Anti-aircraft fire more coordinated than on January 4 but ineffective. Bombers were mostly J U 87 but foreign aviators confirmed presence of some new ones of single tail (?) engine type similar to Italian design. Losses on previous raid confirmed as two Northrops, one Caproni, and one Vulter burned on field, plus four Hewks lost in combat. McHugh requests paraphrase to Navy.

JOHNSON.

RR:HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. design NARS, Date 12-18-75

[CONFIDENTIAL]

## PARAPHRASE

A telegram (no. 12) of January 7, 1958, from the American Ambassador at Hankow reads substantially as follows:

At 1 p.m. on January 6, weather overcast, ceiling 9,000, eighteen heavy bombers accompanied by twelve pursuit planes dropped about twenty 50 kilo bombs on the commercial airfield at Wuchang from the southward. The planes, which were flying at an altitude of about 8,000 feet, continued north, dropping about forty 50 kilo bombs on the Hankow military field, and departed downriver. Except to the slums near the military field where twenty-one persons were injured and fourteen were killed, the damage was negligible. As it lacked sufficient strength to attack, Chinese aviation withdrew when the alarm sounded. One plane burned on the field. Although ineffective, the anti-aircraft fire was more coordinated than it had been on January 4. Although most of the bombers were J U 87, there were, according to foreign aviators, some new bombers of single tail (?) engine type similar to Italian design. Reports of losses on previous raid were confirmed as one Vultee burned on field, two Northrops, one Caproni, in addition to the loss in combat of four Hawks. Captain McHugh asks that the Navy Department be supplied with a paraphrase of this telegram.

793.94/11998 £9.C. FE:EEC:HES

AICH FE WAA

4545 FE

## TELEGRAM RECEIVED

EDA

GRAY

FROMANGHAI VIA N.R.

Dated January 7, 1938
Received 7:43 p.m.

401 493.102 Harden

Secretary of State

Washington

O.N.I. A.

39, January 7, 11 p.m.

73.74/1/919
Reference my 959, December 31, 11 p.m. quoting

Johnson's December 31, noon, regarding of Americans at Hankow. Japanese Consul General has asked me to communicate to Johnson reply from Japanese Ambassador that careful consideration having been given to the suggestion concerning safety of lives and property of foreigners in and around Hankow, the Japanese authorities both civil and military came to the conclusion that they were unable to do better in answering the note under acknowledgment than to bring to your knowledge the following general principle to  $\stackrel{ ext{\ensuremath{\bigcirc}}}{=}$ which the Japanese forces have so firmly subscribed, that is, the Japanese forces have no intention whatever to attack such places as are not utilized by Chinese troops for military purposes or such areas where Chinese troops have not established their military works and establishments and wherethere are no Chinese troops. Sent to the Department, Hankow and Tokyo.

NPL:SMS

793.94/11999

F/FG

EG

CINCAF

FROM January 8, 1938 Rec'd 6 a.m

1411 1 2 1938

B

ACTI ON:

INFO:

OPNAV ALICON SHANGH**AF**O ALIAMBASSADOR CINCAF (AMN)

0007. Unless conditions change British plan transfer troops brought to Shanghai during emergency leaving one battalion plus headquarters units total approximately nine hundred men in Shanghai. One battalion scheduled depart two February one battalion at later date depending on availability transports. 1455.

RR

Il. to Loudon MISER BY POLITICAL RELATIONS

JAN 121938

SPARTMENT OF S

# AF

## TELEGRAM RECEIVED

JR

1---1236

COMSOPAT

FROM January 8, 1938

Rec'd 6 a.m.

ACTION: OPNAV

INFO: C

CINCAF (FLAG)
SECMARBRIG
COMSUBRON FIVE
COMDESRON FIVE
CINCAF (ADMN)
COMYANGPAT

AMATBASSCHINA USS MARBLEHEAD ALUSNA PEIPING

0107. South China ports quiet. 2000.

RR

793.94/12001

F/FG

801 2 1938

ΕG

FROM

Tsingtao via N. R. Dated January 7, 1938

Rec'd 7:40/a.m. Jan. 8th

Secretary of State, Washington.

January 7, 5 p.m.

Law and order continue to prevail in Tsingtao and a consular colleague who had been delegated by the Consular Corps to inquire into certain aspect of the Chinese police situation reported this morning that he felt satisfied that Merchants Volunteer Corps! grasp of the situation was stronger and likely to improve. Consulate Corps endeavoring to persuade respective Chambers of Commerce to cooperate with Chinese Merchants Volunteer Corps in matters other than police functions which are arising. Otherwise situation on the whole is satisfactory. Sent to Priping, Hankow.

SOKOBIN

CSB

H

# DOCUMENT FILE

**NOTE** 

SEE	.084.110 PANAI/CD	FOR	Memorandum	
FROM	State Department Secretary	(	DATED Dec.	14, 1937

REGARDING: Situation in Far East: Conversation of Secretary Hull and British Ambassador concerning-, Ambassador stated that Eden felt very strongly that there should have been joint action between United States and Great Britain with regard to PANAY incident.

mr

ASM

## TELEGRAM RECEIVED

MY

FROM

Pull

Pull

Cate, May offen

GRAY Tsingta

Tsingtao via N.R. Dated January 8, 1938 Rec'd 10:04 p.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AIND M.I.D.

January 8, 6 p.m.

The Japanese destroyers have been patrolling in the bay all afternoon. A transport has been reported as sighted. In view of the recent report of the departure from Tokyo of the Japanese Consul General at Tsingtao for his post here, it is not improbable that the next day or two will see Japanese forces landed in the city.

Nippon forces are on the railway seventy miles east of Tsinanfu.

Sent to the Department, Peiping, Hankow.

SOKOBIN

 $\mathtt{D}\mathtt{D}\mathtt{M}$ 

MI 3 1930



ΜY

#### TELEGRAM RECETVED

Tsingtao via N.R.

Dated January 9, 1938

OPIES SENT TO

Rec'd 7 a.m.

Secretary of State, Washington.

January 9, 4 p.m.

Repeating my telegram of January 8, 6 p.m.

"The Japanese destroyers have been patrolling in the bay all afternoon. A transport has been reported as sighted. In view of the recent report of the departure from Tokyo of the Japanese Consul General at Tsingtao for his post here, it is not improbable that the next day or two will see Japanese forces landed in the city.

Nippon forces are on the railway seventy miles east of Tsinanfu. Sent to the Department Peiping, Hankow."

No landing has been made yet by the Japanese. Their men of war are continually reputed to be off shore.

SOKOBIN

DDM

793.94/12005

VIL I S 1000

h

CA

#### TELEGRAM RECEIVED

FROM

Gray

TSINGTAO VIA NR.

Dated Jan 8, 1938

Secretary of State,

COPIES SENT TO O.N.I. AND M.I.D.

Amembassy Peiping, Hankow.

Washington

as of the B

FOR WAR DEPARTMENT FROM DORN.

Peiping and Hankow please transmit to Military Attaches,

No. 1, January 3, 4 p.m. Sintien, 8 miles east of Changtien, reported occupied by Japanese. Kianhsien, 25 miles northwest of Tsingtao, reported in hands of bandits and irregulars. Third Route Army reported as having withdrawn from Tsining. Tanks reported in my No. 12 as being at Lini were a false alarm, but road was blockaded by 51st Army, which had clashed with light militia. Seven Japanese destroyers entered outer harbor this afternoon, but have not yet made any effort to land though they could do so without opposition of any kind.

SOKOBIN

RGC NPL

793.94/12006

1

MY

COMYANGPAT

January 8, 1938 FROM

Rec'd 11:45 p.m. [ COPI X S. AT TO

ACTION: OPNAV

INFO:

CINCAF(ADMIN) SECOND BRIGADE YANGPAT

COMSUBRON FIVE COMDESRON FIVE CINGAF COMSOPAT

AMERICAN AMBASSADOR CHINA

USS MARBLEHEAD

ALUSNA PEIPING

0008. Yangtze river ports quiet. 2121.

RGC: NPL

V



FROM

MY

SOPATCOM

January 8, 1930

Rec'd 11:45 p.m.

ACTION: OPNAV

INFC:

CINCAF (ADMIN)
SECOND BRIGADE USMC
COMSUBRON FIVE

COMDESRON FIVE

CINCAF

COMYANGPAT

AMERICAN AMBASSADOR CHINA MARBLEHEAD

NAVAL ATTACHE PEIPING

0108 South China ports quiet. 2000.

RGC: NPL

, in

/FG

4

ASA

FE

## TELEGRAM RECEIVED

CA

Plain

FROM

TSINGTAO VIA N.R.

Dated Jan. 10, 1938

Recd 8:30 p.m. Jan 9.

Secretary of State,

Washington.

Tenth.

8 a.m. Japanese planes reported to have bombed villages five miles from Consulate.

SOKOBIN

SMS

793.94/12009

F/FG

## TELEGRAM RECEIVED

FROM

January 9, 1938

Division of FAR EASTERN AT

Rec'd 10:35 a.m.

ACTION:

CINCAF FLAG

OPWAV

INFO:

AMCON SHANGHAI COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

8609. No information further change /military situ-

ation. Shanghai vicinity quiet. 1907

TFV

CUPINS SENT TO O.N.I. AND M.I.D.

793.94/12010

· 1/4 \*

FILED.

#### COMYANGPAT TELEGRAM RECEÏVED

FROM

January 9, 1938

Rec'd 1:30 p.m.

ACTION: CPNAV

INFO: CIN CAF (FLAG)

GINCAF(FLAG)
SECOND BRIGADE USMC
YANGTZE PATROL
COMSUBRON FIVE
COMDESRON FIVE COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

0009. Yangtze River ports quiet.

DDM

793.94/12011

COMSOPAT

## TELEGRAM RECEIVED 9, 1938

Rec'd 1:30 p.m.

ACTION: OPNAV

INFO:

CINCAF(FLG)
CINCAF(ADMN)
SEGOND BRIGADE USMC
COMSUBRON FIVE
COMDESRON FIVE

COMYANGPAT

AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

0109. South China ports quiet.

FROM

COPINS SENT TO

793.94/12012

-HSM

FE

## TELEGRAM RECEIVED

CA

Plain

FROM

USS MARBLEHEAD

Dated Jan. 8, 1938

Recd 11:40 p.m.

Action: Cincaf

Info: 2nd Brigade, Comyangpat, Sopatcom

Opnav, Naval Attache Peiping

My Amy Orea

1008. Four Japanese minesweepers and three destroyers stood in to point two miles off <u>Iltushuk</u> during afternoon.

Two anchored. Several boats lowered. Object not ascertained as no landing affected. No other vessels sent although various rumors assert transports, et cetera, sighted. 2036.

RGC NPL

793.94/12013

F/FQ FILED JAN 1 3 1938

## TELEGRAM RECEIVED

January 9, 1938

Rec'd 1:30 p.m.

ACTION:

JIN CAL'(FLAG) CIN CAF (ADMN)

INFO:

SECOND BRIGADE USMC

COMSUBRON FIVE COMDESRON FIVE

COMPANDED TO COMPA

AMAMBASSADOR CHINA

OPNAV

ALUSNA PEIPING

FROM

1009. Six mine sweepers swept northern area harbor approached to within one thousand yards outer anchorage today. Destroyers sighted to southeast at sunset. 2005.

DDM

DT

n

Plain

CA

USS MARBLEHEAD

Dated Jan. 10, 1938

Recd 2 a.m.

ACTION: CINCAF
INFO: 2HD BRIG USMC, COMSUBRON 5, COMDESSON 5,
COMYANGPAT, COLDR SOUTH CHINA PATROL,
ALAMBASSADOR CHINA, OPNAV, NAVATTACHE PEIPING.

1010. Japanese naval forces formally notified Commanding Officer they will occupy city and assume responsibility for law and order. No bombardment or bombing contemplated. Vice Admiral Soyemu Toyoda in command of forces will enter harbor this afternoon. 1133.

CA

793.94/12015

CETTLE

EG

FROM USS MAKBLEHEAD

January 10, 1938

Rec'd 8:12 a.m.

ACTION:

: CIMCAF SECOND BRIGADE USMC COMSUBRON FIVE INFO:

COLDESRON FIVE
COLYANOPAT
COLYANO

OPNAV NAVY ATTACHE PEI PING

Japanese naval forces formally notified 1010. commanding officer they will occupy city and assume responsibility for law and order, no bombardment or bombing contemplated. Admiral Soyemu Toyoda in command of forces will enter harbor this afternoon.

1133.

RR

793.94

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MOAA



#### TELEGRAM RECEIVED

COPILE SENT TO

CA

Plain

FROM

TSINGTAO VI A N.R.

Dated Jan. 10, 1938

Recd 8:45 p.m. Jan 9

Secretary of State,

Washington.

Amembassy Hankow, Peiping.

Tenth.

7:10 a.m. Japanese planes dropping amphlets advising nationals of third powers take refuge Edgewater Mansions and not to approach dangerous areas as city is in danger of falling into confusion by battle.

SOKOBIN

SMS

Ŋ

4545

#### TELEGRAM RECEIVED

JR A portion of this telegram must be closely paraphrased before being communicated to anyone. (A) to anyone.

FROM ton via N. R. Dated January 7, 1938 Rec'd 6 a.m., 8th.

AMEMBASSY PEIPING AMEMBASSY HANKOW AMCONSUL SHANGHAI

COPIES SENT TO O.N.I. AND M.I.D.

Secretary of State,

Washington.

note

811.032

January 7, 6 p.m. (PLAIN)

Kwangtung Government paper extols President's address to Congress as stern warning to aggressors justifying hope that America's cooperative action with other peace loving nations, which can alone stop aggression and enforce peace, will soon be forthcoming.

Since December thirty-first Japanese air raiding has included bombing of White Cloud Mountain military Establishments and regular raids on Canton-Hankow, Canton-Hong Kong and Canton-Samshui Railways usually two flights daily damage slight. Attacks also reported on Bocca Tigris area and passenger vessel on east river resulting in considerable loss of life. Many Japanese flights evidently for scouting purposes.

Authoritatively

793.94/12017

-2- January 7, 6 p.m., from Canton via N. R.

Authoritatively informed December 27th Japanese scaplane reconnoitred over Hoihow and Japanese cruiser anchored outside harbor. The next day a French cruiser appeared inside harbor and both ships departed that night (according to press two French warships left Kwangchowwan one going to Hoihow as described and one to nearby northeast Hainan coast) the French cruiser which had visited Hoihow arrived at Pakhoi 29th leaving there the same night. The next night Japanese cruiser arrived at Pakhoi and passengers on a steamer leaving there 31st heard explosions believed to be bombing by Japanese planes carried on cruiser. Japanese naval activities near Canton continue to be confined to unimportant exploratory operations in and near lower delta with frequent despatch of landing parties to coastal islands which are sometimes resisted by local military and usually withdrawn after brief occupations.

While South China is less apprehensive of Japanese intrigue in the immediate future, feverish preparations in the past of mass militia training and construction of defence works and military roads (f) throughout Kwangtung and Kwangsi (END SPECIAL GRAY). Reliably informed that in addition to Kwangsi organized forces in active service consisting of twelve divisions, three hundred thousand of the Kwangsi trained militia reserves are being given

#17/34

-3- January 7, 6 p.m., from Canton via N. R.

second training preparatory to despatch to front as replacements or new units; and that labor armies are working ceaselessly on construction Hunan Kweilin railway and improvement Kweilin Hanoi highway.

(GRAY) Referring to my December 25, 11 a.m., vernacular press reports recent interview given by German Consul visiting Kweilin in which he referred to world admired Chinese popular support of Central Government in gallant struggle for national existence and Germany's "similar struggle as an oppressed nation under a great leader" and emphasized that Germany would not aid Japan in invading China.

Press reports new year manifesto by Generals Li Tsun

Jen and Pai Chung Hsi exhorting South China popular support

of war and promising material support from Britain, America,

France, and Russia which they allege includes Russian

definitely pledged provisionment of one hundred planes

monthly.

Roberts requests repeat to War Department. Mailed Hong Kong, Yunnanfu, Swatow.

LINNELL

CSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972

By Mitter 0, dueless NARS, Date 12-18-75

CONFIDENTIAL)

#### PARAPHRASE

A telegram of January 7, 1938, from the American Consulate General at Canton reads substantially as follows:

Kwangtung Government paper extols President's address to Congress as stern warning to aggressors justifying hope that America's cooperative action with other peace loving nations, which can alone stop aggression and enforce peace, will soon be forthcoming.

Since December 31 Japanese air raiding has included bomb- Cing of White Cloud Mountain military establishments and regular raids on Canton-Hankow, Canton-Hong Kong and Canton-Samahni Railways usually two flights daily damage slight. Attacks also reported on Bosca Tigris area and passenger vessel on East River resulting in considerable loss of life. Many Japanese flights evidently for scouting purposes.

According to authoritative information, on December 27,
Japanese scaplane reconnoitred over Hothow and Japanese
cruiser anchored outside harbor. The next day (December 28)
a French cruiser appeared inside harbor and both ships departed
that night (according to press, two French warships left Kwangchowwan, one going to Hothow as described and one to nearby
northeast Hainan coast). The French cruiser which had visited
Hothow arrived at Pakhoi on December 29, leaving there the
same night. On the night of December 30 Japanese cruiser
arrived at Pakhoi and passengers on a steamer leaving there on
the 31st heard explosions believed to be bombing by Japanese
planes carried on cruiser. Japanese naval activities near

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0. Sustafan NARS, Date 12-18-75

-2-

Canton continue to be confined to unimportant exploratory operations in and near lower delta with frequent despatch of landing parties to coastal islands which are sometimes resisted by local military and usually withdrawn after brief occupations.

While South China is less apprehensive of Japanese intrigue in the immediate future, feverish preparations in the past of mass militia training and construction of defense works and military roads (?) throughout Kwangtung and Kwangsi. According to reliable information, labor armies are working continuously on improvement of the Kweilin-Hanoi highway and construction of Hunan-Kweilin railway. According to this information, besides Kwangsi organized forces consisting of twelve divisions in active service three hundred thousand of the Kwangsi trained militia reserves are receiving second training in preparation for despatch to the front as replacements or new units.

The Consul General refers to his telegram of December 25, il a.m., and states that the vernacular press reports a recent interview given by German Consul visiting Kweilin in which he referred to world admired Chinese popular support of Central Government in gallant struggle for national existence and Germany's "similar struggle as an oppressed nation under a great leader" and emphasized that Germany would not aid Japan in invading China.

Press reports new year manifesto by Generals Li Tsun Jen and Pai Chung Nsi exhorting South China popular support of war and promising material support from Britain, America, France, and Russia which they allege includes Russian definitely pledged provisionment

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. dustagen NARS, Date 12-18-75

-8-

provisionment of one hundred planes monthly.

Roberts requests that the War Department be informed with regard to this telegram.

793.94/12017

EGC:HES 1-10

*HOI*II Fr

JR

USS MARBLEHEAD

January 10, 1938

Rec'd 8:07 a.m.

ACTION: CINCAF ADMINISTRATION AND FLAG

INFO:

SECMAR BRIGADE COMSUBRON FIVE COMDESRON FIVE

COMYANGPAT

COMSOPAT

AMBASS CHINA

OPNAV

ALUSNA PEIPING

COPIES SENT TO U.N.I. AND M.I.D.

193.94

1010. Reported number of Jap troops and civilian have landed and requested continuation of present policing until 1530 at which time Japanese representatives and foreigners meeting discuss future and turnover Japanese Marines ashore at Sltus Suk flagship ASHIGARA anchored near us together with destroyer division. 1512.

RR

793.94/12018

ΕG

FROM GRAY

Tsingtao via N. 🗜

Dated January 10, 1938

to note: STEHN AFFAIRS

4 State

Rec'd 9:55 a.m.

AMCON CHEFOO AMCON TIENTSIN
AMCON SHANGHAI
AMEMBASSY HANKOW
AMEMBASSY PEIPING

.... SENT TO LINIL AND MILD

Secretary of State,

Washington.

January 10, 3 p.m.

Occupation of Tsingtoo Japanese forces proceeding without incident.

SOKOBIN

RR:W/C

JR

USS MARBLEHEAD

FROM January 10, 1938

Rec'd 7 a.m.

ACTION: CINCAF

INFO: CIMCAF (ADM)

PASSED TO OPNAV BY CINCAF

793.94

1010. Japanese Marines rapidly occupying city hoisting Japanese colors all important government buildings turnover in progress administration building estimate at least two thousand marines with field pieces and equipment in city all quiet and or arrly. 1601.

RR

793.94/12020

#### **DOCUMENT FILE**

#### **NOTE**

SEE	124.932/553	FOR	Tel.#9 4pm		
FROMChina	(Nanking)	( Allison )	DATED Jan. 8. 19	938	7
TO		NAME	11127	470	

REGARDING:

Damage at Nanking to central business section reported, the destruction supposed to have taken place after the Japanese entered the city.

GRAY & SPL GRAY

NANKING via N.R.

Dated January 8, 1938

Recd 5:55 p.m.

Secretary of State,

Washington.

9, January 8, 4 p.m.

My 5, January 6, 5 p.m. and 6, January 7, 4 p.m.

The Ambassador's motor car was returned in good condition late yesterday afternoon and shortly afterwards acting Consul General Fohui came to the Embassy and presented 160 gallons of gasoline which he stated was in partial compensation for the three Embassy cars "borrowed" by the Japanese Embassy. In view of the difficulty of obtaining gasoline supplies I accepted this contribution but stated that the final settlement of the matter would have to be discussed at a later date.

Further investigation of damage to American property, other than Embassy, disclosed that the main building of the Methodist Episcopal Mission North on Shenchoulu was gutted by fire, reputedly of Japanese origin, a few days after the fall of Nanking. Other pieces of American property damaged, belonged to United Christian Mission where two buildings of boys' school were burned and to American Church Mission where parish house was hit by shell fire.

Texas Company installation on December 30 and January 4 entered by Japanese soldiers, the American flag torn down,

barni

MY -2- #9, January 8, 4 p.m., from Nanking via N.R.

burnt and practically all stocks removed as well as personal belongings of employees. Buildings intact. Standard Oil Company installation and residence buildings of the (?) partially looted. American residents have reported numerous cases of Japanese soldiers tearing down and mutilating American flags and showing complete disregard for measures of American or Japanese Embassy proclamation setting forth the American (?) property concerned. American property located in the so-called "safety zone" generally undamaged except for sporadic looting and pilfering.

I have made several oral and informal protests to the Japanese Embassy and have informed them that after I have an opportunity to make full investigations I deem it advisable to take up these various matters officially.

In sharp contrast to the reported actions of Japanese soldiers before our arrival the attitude of all Japanese officials both civil and military has so far been most courteous and helpful in affording our staff facilities for carrying on our work.

An inspection of the central business section of Nanking showed widespread destruction, nearly every shop and building on the main streets having been looted and most of them burned. The great majority of this destruction is supposed to have taken place after the Japanese entered the

city.

MY -3- #9, January 8, 4 p.m., from Nanking wia N.R.

city. Our water supply has again been cut off and there is still no electricity.

Sent to Embassy (?). Repeated to Shanghai.

ALLISON

RGC:NPL

#### **DOCUMENT FILE**

#### NOTE

SEE 890.00/78 FOR Memorandum

State Department
FROM Far Eastern Division ( Jones ) DATED Dec. 27, 1937
TO NAME 1-1127 ...

REGARDING:

Sino-Japanese conflict: Japanese capture of city of Hangchow: Report on situation during week ending Dec. 27, 1937.

#### DOCUMENT FILE

## NOTE

SEE 124.932/552	FOR	4- 9em
ROM China (Manking)	( <u>Ällson</u> ) DA	TED Jan. 8, 1938
го	NAME	1-1127 ***
REGARDING:	Regulations prohibit anyone walls in Nanking after dark foreigners permitted to do	k; American Staff only

emc

795.94

ΞC

GRAY AND SPECIAL GRAY
Nanking (OAHU) via N. R.
Dated January 8, 1938
Recid 6 a.m.

Secretary of State,
Washington.

January 8, 9 a.m.

The captain of the OAHU has informed me that he must return to Hsuhien early tomorrow morning but that he expects to be back at Nanking by 4 o'closk tomorrow afternoon in company with the salvage tug SAUCY. It is not yet certain he will have to accompany the SAUCY to Shanghai but if he does communication will be practically impossible. It is difficult at present inasmuch as the OAHU must anchor approximately three miles up river and because of limited supplies of gasoline the captain says he can only send his motor sampan ashore twice a day. The Japanese allow no one to go outside the city walls after dark and our staff are the only foreigners permitted to do to during the daytime.

in the Embassy a portable radio set and leave an enlisted man here to operate it but I anticipate difficulties with

the

-2- January 8, 9 a.m. from Nanking (OAHU) via N. R.

the Japanese military authorities. I have informed Japanese Embassy that it is of vital importance to have this set installed but they say that the matter must be referred to the military. Unless otherwise advised I intend to insist upon installing the set in the Embassy.

Sent to Embassy Hankow. Repeated to Shanghai for information of the Commander in Chief.

ALLISON

HPD

#### **DOCUMENT FILE**

#### **NOTE**

SEE	701.9361/27		FOR	Tel.#5	7pm	
FROM	U.S.S.R.	H <b>end</b> Man	-	DATED	Jan. 8,	1937

REGARDING:

Chino-Japanese situation; China desires to carry on for so long a period that Japan will eventually find it advisable to offer acceptable terms. Whenever negotiations desbegin, Dr. Yen, Chinese Ambassador to U.S.S.R., has advised he is of opinion the United States and Great Britain can be of great aid by maintaining a common front in insisting Japan does not drive too hard a bargain.

McÇ

7 5 K



JR
This telegram must be closely paraphrased before being communicated to anyone.

FROM

January 10, 1938

Rec'd 10:30 a

ACTION: NAVY DEPARTMENT

INFO: CINCUS

bivision of FARMERSTERNAFTAIRS

Shanghai is very limited also controlled by Japanese military possible to make contracts these items but delivery not guaranteed. Soon as Dollar vessels resume calls above port and an adequate supply provisions mentioned assured for our forces in China bridge will be released. 1730.

RR: WWC

GRAY

## TELEGRAM RECEIVED R. R.

COPILS SENT

U.N.L. AND

Dated January 10,/1938

FROMEC'd 10:25 a.

Secretary of State,

Washington.

EG

-11-15

January 10, 4 p.m.

D7

British and German Embassy officials arrived in Nanking yesterday morning. The military authorities have, so far, refused to permit any but Embassy or Consular officials to land, the prohibition extending to foreign military and naval officers who are not attached to an Embassy.

I have been informed that my British and German colleagues have requested their respective Embassies in Hankow to approach the Chinese Government with a view to preventing Chinese air raids upon Nanking and I have been asked to bring the matter to the attention of the American Ambassador. In addition to the small group of foreigners here there are said to be some 200,000 Chinese refugees within the city walls, the majority of them concentrated in the so-called "safety zone". Providing the Ambassador perceives no objection it is requested that the Chinese Government be informed of the above and requested to refrain from indiscriminate bombing of this city. Sent to Embassy Hankow.

ALLISON

KLP:CSB

4549

793.94/12026

T /A

STEELED COMMENT

#### TELEGRAM RECEIVED

EG

#### FROMRAY

COPIES SENT TO U.N.I. AND W.I.D.

Hankow via N. R. Dated January 10. 1938

Rec'd 9:30 am

Secretary of State,

Washington.

17, January 10, 10 a.m.

Following for War Department from Colonel Stillwell.

"I returned Hankow January 9 from Changsha, Nanchang, Kiukiang. No peace talk anywhere in the area. Hunan Governor talks of three years' resistance, Kiangsi Governor same opinion. Training programs under way in Hunan and Kiangsi for roughly one million men in each province. Munitions and equipment admitted serious matter. Practically every Chinese soldier on guerilla warfare. Many units withdrawn to Nanchang, Hankow area for replacement. I believe there is little contact between opposing sides southwest of Nanking and that the front there has practically melted away".

Repeated to Peiping.

JOHNSON

KLP:W/C

793.94/12027

u

Hankow via N. R.

COPIES SENT TO O.N.I. AND M.I.D.

FROM Dated January 10, 1938
Rec'd 11:30 a/m.

Secretary of State,

Washington.

ΕG

19, January 10, 2 p.m.

Department's 11, January 9, 1 p.m.

Your 7, January 7, 7 p.m., was repeated to Shanghai and to other consular offices on January 10, 10 a.m., and January 10, 11 a.m., respectively.

JOHNSON

KLP:CCB

Safeguarding of American life and property.

库

793.94/1202

F/FG

CIST TALES



ΕG

FROMECOND BRIGADE USMC

January 10, 1938

Rec'd 11:57 a.m.

CINCAF ADMINISTRATIVE OPNAV
ACCUSUL SHANGHAI
COLSUBRON FIVE ACTION: INFO:

CCHSOPAT ALIAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA CHINA

8610. Southward advance Tsinpu Line reached Tenghsien 36 miles south Yenchow Japanese units Tsining vicinity meeting considerable resistance. Northward advance same line captured Mingkwang 38 miles southeast Pengpu during past three days estimated ten thousand troops withdrawn from Hanchov Nanking areas. 1825.

CSB

E.O. 11652, Sec. 3(E) and 5(D) or (E) DECLASSIFIED: Department of State letter, August 10, 1972 By Milton D. August NARS, Date 12.

4551

## TELEGRAM RECEIVED

ΕG

GRAY

FROM Tsingtao Via N. R.

Dated January 10, 1938

Rec'd 11:10 a.m

Note

Secretary of State COPIES SENT TO Washington. O.N.I. AND MI.D.

January 10, 11 a.m.

The following memorandum was handed to the senior American naval officer this morning at 10:30:

"Vice Admiral Soyemutoyoda, the highest commanding officer of His Imperial Majesty's forces in Tsingtao district, has the honor of informing hereby the Senior Commanding Officer of the United States Navy in Tsingtao that Japanese naval landing forces are expected to enter the city today, January 10, and the public peace and order of the city will be wielded by Japanese forces thenceforth.

Regarding the protection of the third nation's lives and properties, he also has the honor of announcing herewith that he has fully instructed the forces under his command, as shown in the leaflets strewn from our airplanes this morning".

The Japanese boarding officer also verbally added that there would be no bombardment of the city, no shelling, no bembing, and no rifle fire unless provoked. He also added

793.94/12030

4552

-2- January 10, 11 a.m. from Tsingtao via N. R.

added that 3,000 men would be landed tomorrow morning.

Leaflet in Chinese language distributed from Japanese airplane reads as follows in translation: "Urgent.

Military Command.

One. The forces of the Japanese Empire have not come to take over Tsingtao. All principal organizations and institutions in the civic and rural districts of Tsingtao should as quickly as possible hoist white flags to indicate their willingness to submit. The hostage and the anterna will be subjected to attack.

WB - 38

Two. As regards Chinese troops, police forces and other armed bodies, they shall make haste to assemble in the great harbor area and send delegates to the (?) Japanese shrine for negotiations. Those who submit will be spared from attack while those who do not submit shall be exterminated.

Three. Those of the general public who wish to cooperate with the Imperial forces should send their district leaders or street elders to the Tsingtao Japanese shrine to indicate their sincerity in the matter".

White flags have already been hoisted on all Government buildings, Chinese now arranging delegation to meet Japanese.

A11

4553

⇒3⇒ January 10, 11 a.m. from Tsingtoo via N. R.

All Americans are being asked to remain indoors for the time being and we are completely satisfied that no danger whatsoever exists for American persons or property.

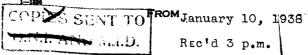
Sent to Peiping, Hankow.

SOKOBIN

# TELEGRAM RECEIVED

JR

USS MARBLEHEAD



Rec'd 3 p.m.

ACTION:

INFO:

CINCAF SECOND BRIGADE USMC COMSUBRON FIVE COMDESRON FIVE.

793.94

1010. Occupation carried out in orderly manner entirely naval Rear Admiral Shishido administration ashore. Situation Easy and no danger to Americans persons or property. American Consul concurs. 2032.

HPD

## TELEGRAM RECEIVED

LMS

COMYAN GPAT

CUPNES SENT TO

AND M.I.D.

FROM anuary 10, 1938

Rec'd 7:28 p. m.

WASH IN GTON OPNAV, INFO:

2ND BRIG USMC COMSUBRON 5 COMDESKON 5 COMSOPAT

AMAMBASSADOR CHINA PARAMETER ALUSNA PEIPING

0010 Yangtze River ports quiet 2203

SMS:RGC

193.94

Division of AR EASTERWAFEAIRS

793.94/12032

## TELEGRAM RECEIVED

LMS

COMSOPAT

FFOMuary 10, 1938

Rec'd 7:38 p. m.

MI.D.

OPNAV, .Washington.

INFO:

CINCAF COMSUBRON 5 COMDESRON 5

COMYANGPAT

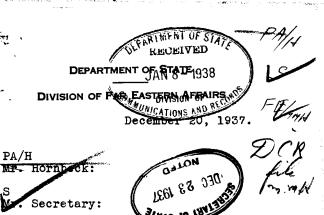
AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

Ollo South China ports quiet 2000

SMS:RGC

793.94/12033

I



The attached memorandum prepared by Major Mayer, M.I.D., War Department, containing a summary of events in the Sino-Japanese situation for last week is an exceptionally good piece of work. I believe that you will be especially interested in the first three pages which contain an account of the Panay incident.

idvision of the fastern AFFAIRS 10 SEC 27 1937

MH. HORNBECK
DEC 2 0 1937

DEPARTMENT OF STATE

FE:MMH:EJL

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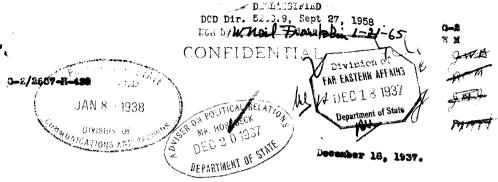
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And it yet who had a

June of the 19"
Linky + Achieles!

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Surjegen NARS, Date 12-18-15



MEMORATION FOR THE CHIFF, INTRILIGENCE BEASCH:

Subject: Summary of Svents, Sino-Japanese Situation, Seconder 12,- + 18, 1937.

793.94

#### PANAY INCIDANT

On December 9 the Japanese Consul General at Changhai forwarded to our Consul General a note "stating the intentions of the Japanese military forces regarding the security of foreign ships in the zone of fighting in the Yangtus Valley." This note warned all foreign ships to stay away from Chinese troops and establishments or to keep out of the area entirely, and stated that the Imperial Japanese forces will do their utmost to respect foreign ships, "but in case no cooperation is forthcoming from the third powers," the Japanese forces "are not in a position to insure the security of such ships and cannot be held responsible for consequences."

on the afternoon of December 11, the U.S.S. Panay, which was anchored in the river at Hanking, was forced to move up river by artillery fire. The British Military Attache and a German Imbassy Secretary, both on a British boat, stated that the fire unquestionably came from Japanese Batteries, while Captain Roberts, on the Panay, believed that the fire was from Chinese sources. Subsequent events indicate that the fire was undoubtedly Japanese. shells continued to follow as the Fanay and other ships, including British vessels, moved up stream. The Panay anchored 18 miles above Manking and so informed the Changhai Consulate by radio, requesting that the Japanese at Shanghai and Tokyo be informed. At 9:00 c.R. December 18, shell fire again apparently directed at the Panay caused her to move to a point 27 miles above Manking. Mearby at that point were the Standard Cil Company steamers Meiring, Meian, and Meiheis. The Shanghai Commulate was again informed of the me location. This message was received at Shanghai about 12:30 and the Japanese Consulate was immediately informed by telephone and confirmation by written message was sent within 50 minutes. The Japanese Consul General acknowledged receipt by letter dated Dece ber 18 stating "the necessary information was immediately transmitted to the Jaranese military and navel authorities."

CONFIDENCE

793.94/12034

ELLE OF

F/FG~

### CONFIDENCE

About 1:30 p.m. December 12, while the Panay and the other vessels were anchored at the last point mentioned above, the group were attacked by Japanese aircraft. The Panay was sunk and the other ships, though hit, managed to reach the shore. At least five air attacks were made. During the escaps of the survivers from the sinking Panay, the planes machinegumed the boots and men on the beach from low attitudes. Just before the Panay ment to the bottom, two Japanese amy meter beats approached the ship, machinegumed the deeks, and boarded it. All the vessels were plainly marked with American flags and Japanese simplanes had flows over the Panay and other American vessels daily during the latter part of their stay at Banking.

The ensualties among the foreigners on the Panay and other vessels, resulting from the attacks, were 4 killed and 16 wounded. Most of the survivors landed on the North Bank and moved inland after dark, carrying their wounded on improvised atretchers.

The British gunboat Bee raced to the seems from Suhu as soon as the news of the disaster reached her. In spite of interference by Japanese military during the early stages of the attempts at rescue, the British got into touch with the survivors. These had pushed inland to escape and were finally assembled on December 15 and landed at Shanghai on December 17.

The Funay personnel lived up to the best truditions of the havy. Both the line officers on the Funay were wounded with the first attack and despite their wounds, carried on. The State Department officials on the ship, including Messrs. Faxton and Cassis, who were wounded, likewise carried out a most difficult task with fortitude and vigor. Lieut. Commander Maghes, the Captain of the Funay, placed Captain Roberts, the Assistant Military Attacks, in charge of the surviving naval personnel on shore, and he acquitted himself of the difficult task of moving the wounded inland with most commendable seed and efficiency.

On December 12, before going to the scene of the Panay stack, the Eritish gumboats Ledybird and See were attacked by Japanese artillery fire at Suhu. Both ships were hit several times. One sailor was killed and several were wounded. Upon landing to protest, the Eritish were informed by Colonel Hashimote, temporarily the senior Japanese officer at Duku, that he had opders to fire at every ship on the river. Three separate air attacks were also made upon British ships, including the gumboats Cricket and Search, concentrated near Heis Shan, above Hasking. This area had been previously designated by the Japanese commander in chief as a safety some.

CONFIDEL.

معاقبها المراجع المراجع المراجع والمادي والمادي

14

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. August 10, NARS, Date 12-18-75

### CONFIDENTIAL

The nature and method of distribution of the warning note of December 9 shows that Army, Havy, and Consular authorities were cognizant of the terms of the message. This fact, together with the subsequent events on December 12, leads to the definite belief that the attacks on the British and American ships were not accidental. It seems apparent that some Japanese officials with authority enough to issue orders to Field Artillery units and Neval Aviation, had de cided to attack all ships in the area regardless of nationality. notives may have been emaperation at the presence of foreign neu-trals, a desire to impress the world with the night of Japanese arms, or a deliberate compaign to show the Chinese the foolishness of hoping for the assistance of week foreign nations. General Mateui is in command of the Japanese land forces at Shanghai, Admiral Hassgame commands the naval forces there, and Lieut. General Prince Yasuhike Asake is reported to have directed the drive on Manking. The Japanese Mavy has spologized to the United States Mavy for the incident. Hear Admiral Element, who commanded the eviction units at Shaughai, has been recalled to Tokyo and has been relieved of his duties. The Navy will also fire a salute at the scene of the Fanay bombing. So far no sention has been made of action by the army to atone for the artillery fire upon and the machinegraming of the Panay. An investigation of the discussions smong Japanese officials, which led to the issuance of the warning note of December 9, night bring out some interesting facts. These discussions were probably held in Shanghai, but Tokyo might have originated the ideas.

The reaction of most Japanese officials in Tokyo and throughout the world, to the news of the Panay attack, was insediate and gratifying. Apologies were made to our State Department, and military and nevel officials in Anahington, and to our representatives in other expitals. Individuals in Japan were apparently genuinely should and dismayed by the news and strove to make amends.

The strained situation between the United States and Japan over the Panay incident appears to be soming more tense as the result of late dispatches from survivors of that attack. Editorial comment and mail indicates a desire for a stiffening attitude on the part of the United States.

### OZIGERAL.

The Japanese Government announced a resonmendation to the Throne to convene a joint conference of the Imperial IEQ and the Covernment, with the Emperor attending. The object of the conference as announced is to cettle Japan's parament policy toward China.

Tokyo dispatches state that Admiral Risulm Yanamoto and Ritsura Tuyana have issued a manifesto to the nation on December 18

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## CONFIDENTIAL

Calling for the disbandment of political parties and for the establishment of a national party. A movement is under may in the Minesite and Sciyukmi parties for liquidation in favor of a totalitarian state.

The creation of a new regime called the "Chinese Republic Temporary Jovernment" was preclaimed at Peiping on Recember 14 with appropriate comments at which Ceneral Kita and other Japanese of ficials attended. The new government consists of an Executive, legislative and Judicial Commission under Chinese, must of when are members of the Anfu clique, prominent in 1924 when Tese Kun was president. No governmental head has been designated, but it is reported that Tese Kun and Heu Shih-chang are likely candidates for president, with Au Fei-fu as vice president. The new regime claims sovereignty over all Chinese territory from which "Eucomintang troops" have retreated. The East Hopel Autonomous Covernment is absorbed in the new puppet. The "Mongel Empire" remains a separate entity. While the Chinese officials of the new regime claim de facto Japanese recognition, reports from Tokyo dated December 15 state that Japan will withhold recognition for the present. It is foresast in Peiping that if the Chinese Central Government cases to terms with the "Republic," the Japanese will perpetuate it for the northern provinces only. Otherwise Japanese would threaten to conquer all of China in the name of the Republic."

Press reports December 17 state that the "Republic" has taken over the Chinese customs administrations of Tientein, Tangku, Chingmangteo, and Shankaikuan. Downward revisions of tariffs are forecast. There is no official confirmation of this news as yet but this action is a strong probability.

Mr. William Green, President of the American Federation of labor, formally appealed to Union members to refuse to buy Japanese goods and to organize boyoutt committees in the central labor unions in each sity to request morehents to stop headling Japanese goods.

Lendon reports that a world-wide boycott of Japanese goods will be started Jamuary 1 by the International Peace Campaign Committee, which claims to have 400 million members in 43 countries.

Chinese sources permist in their claim of the sinking of the Japanese battleship Magate and five other vessels off Kinngyin in the Yangton on November 24, during an air attack by 15 Chinese planes. Chinese claim that Admiral Magane died December 14 as a result of injuries received during the bombing. The Japanese have demied the report of the sinking. The Magate is a 32,750-tem post-war battleship.

Italian sources report Japan is now building three 46,000-ton battleships mounting 16" guns. Five alrereft earriers, seven light

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## CONFIDENTIA.

orniners and 43 destroyers and submarines are also reported either building or projected. According to these reports the Japanese Mavy will have 209 man of war totaling 1,109,130 tone by 1941, at which time the United States will just reach treaty strength.

The Japanese Foreign Office lodged a vigorous protest with the Soviet Embassy at Tokyo requesting the immediate release of seven Japanese allegedly held at Vladivostok on "ambiguous" charges.

Chinese report that Russia is strengthening the Vladivostok forts and is making provisions for 160 planes. The strength of the Vladivostok garrison is reported at 85,000 mms. Japanese reports that Russia was sending two eruisers, 18 submarines and 6 destroyers to Vladivostok next seek, and that 600 pilots and 100 nirplanes were sent there last week.

Reports from Siam state that the Russians have established primary and advanced aviation schools at Lanchow. The equipment consists of single-engined pursuit and observation airplanes. Four-motored bombers are also reported. The Eussian airplanes, even when reportedly manned by Soviet pilots, have so far failed to give any promising performances.

Germany formally registered "objections" to Japanese air attacks on the British stemmer Manggu which carried members of the German Manking Embassy. This action is not regarded as strong as a protest.

Italy is reported switing United States action in the death of Sandre Sandri, Italian correspondent, who died as results of wounds received during the attack on the Panny. Italian officials indicate they consider the Panny was United States soil.

#### MENTE CETHA

In Shansi the Japanese sanit they have withdrawn all troops south of Taiyuan to a line from Senshui to Kihsien. East of Taiyuan they hold only the Cheng-Tai Railway, the section near Taiyuan still being out of countseion, and communications are interrupted. They claim to still hold the Taiyuan-Taiyua line. The Taiyuan-Kweihua section of the Fing-Sui Railway, while held by the Japanese, is subject to constant mids by Chu Toh's troops. There are spendic attacks by remments of the 29th Army in the area cast of the Ping-Han Bailway, particularly in the Changte-Kwaien area.

Chinese ex-communist troops and irregulars are reported at many points in northwest China. Yesney thousand are reported in northwest Shenei, 7,000 in the Sutmishan area in Shenei, 5,000 in the

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## CONFIDENTIAL

Ningen area, and unknown numbers in the mountains in Shanel southeast of Tutus and Talku and on both sides of the Chang-Tal Sailuay. A large concentration of Chinese troops is reported at Sinsians, on the Ping-Nan Sailuay north of Changshow.

Japanese report over 15,000 Chinese troops have surrendered in western Shantung and southern Ropei during the last two weeks. They claim they have completely mapped up the area between the Wei and Yellow Rivers and that they now occupy Listeing and Emmaged in western Shantung.

A foreign report from Channi states that the Japanese hold no more than one third of the province and that part only along certain lines of communication. Some Japanese troops, probably Kwantung Army units, have been withdrawn from Shansi.

A skirmish was reported at Heinle on the Ping-Han Bailway in which a number of Japanese soldiers were killed and wounded.

Chinese report 30,000 Chinese troops in the vicinity of Fangshan, 35 miles south of Peiping.

Kinchow, 50 miles east of Teinan, and Teinan, on the Tein-Pu Railway, were boshed by Japanese December 14.

Eas Fe-chu's representatives are separted preparing a base for him at Yancheng, Homan, for use in case he is forced out of Chantums.

Japanese report that Sian, Shousi was boshed as December 18 and that many simplenes and hangars were destroyed there.

#### CONTRAL CHIBA

The Japanese Headquarters at Shanghai announced the capture of Banking on December 15 after sanguinary battles. They now held both sides of the Tangthe from Suba to Kinngyin. Isolated Chinese detectments are still putting up resistance in this area. The Japanese are now reperted to be emerting pressure morth in three columns, one in the general vicinity of the Grand Canal opposite Chinking, another is pushing north on the Tuin-Pa Bailuny, and a third is pressing in the vicinity of Bahsian. There are also increasing signs of activity in the direction of Hangshew, along the relirods and roads leading from Shanghai and it is probable that the Japanese will push on and take the town soon. Beliable reports state that the Japanese are now 18 miles morth of Kinngyin, and 15 miles morth of Chinkiang, and that they have crossed the Hangton at Tuhn in force.

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Commission Title Websites . .

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitt 0, dustafam NARS, Date /2-/8-75

## CONFIDENTIAL

It now appears that many of the best Chinese divisions were withdrawn from Nanking prior to the final attack. The 87th Division is now at Chushow, north of Pushen; the Salt Division is in the Yangshow area; the 59th and 88th Divisions fought their way out of Nanking to the south and are now reported in the vicinity of Amangach; and the badly cut up Sand Division has been withdrawn to Hankow. The bulk of the Chinese forces are now reported southwest of Nanking.

Thile it is difficult to forecast future Japanese activity in this area, it is not believed likely that they will push much further west at this time. A drive up the Tsin-Fu to the Shantung border is much more probable. There are reports of Japanese troops now boarding transports at Shanghai and Rossung. While most Chinese sources believe that these troops will be used for a landing in South Chine, a landing at Heichow, terminus of the lung-Hei Reilway, or on the Shantung coast, is not unlikely.

There was an utter collapse of Chinese resistance in the Manking area during the latter stages of the attack on the 18th. Isolated regiments fought well and many held out for several days after the city had fallen. But the bulk of the Chinese troops remaining in Manking had only the thought of escape. They discarded their arms and shed their uniforms in the hopes of escaping Japanese retribution. The Japanese amounce they held 15,000 Chinese prisoners in Manking and 25,000 more ex-Chinese soldiers are in the city in civilian clothes. Foreign correspondents report that the fall of Hanking was marked by butchery and pillags. Shelesale lecting, victors, have turned Manking into a city of terror.

General Matsui's headquarters are reported to have been moved to Manking. This lends color to the belief that further military operations in the Yangton Valley are to continue. A triumphal entry into the city by the Japanese Army and Many Commanders was held on December 17.

Chiang Kai-shek, Pai Chung-hai, He Ying-chin, Feng Yu-haiang, liu Heiang, and other Chinese military leaders are reported in Hankow. The German advisors are still in close linison with the Chinese. Conferences are going on to decide on plane of action for continuing resistance. There appears to be a feeling mong the Chinese that the Soviet Government will aid Chine anterially and a reorganisation of the Government to admit the Chinese communists on an equal footing is being considered.

Ching Kai-shek, in a radio broadcast on December 16, called on all China to continue resistance. He pointed out that

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## CONFIDENTIAL

military losses on all fronts were over 300,000, and losses in civilian life and property were beyond computation, but he predicted that continued resistance would soom cause Japan to exhaust hereelf.

Additional river barriers are being laid in the Yangton above Anking. Havigation elds have also been removed.

Japanese air raids on Handhang, Sinn, Loyang, and other inland cities were reported on December  $14\,\mathrm{s}$ 

At Shanghai the Japanese informed the United States and other Shanghai defense forces that their intention to post guards on Japanese property in the sector of other nations in the International Settlement had been postponed. Japanese consorable of Chinese newspapers in Shanghai started December 18. The Hantes safety more adjacent to the French Concession was taken over by Japanese authorities on December 16 as a result of an alleged attack on a Japanese sentry.

On December 14 the Japanese spokesmen at Shanghai again warned the United States and Great Britain to move their vessels out of the Yangton to insure their safety. He intimated that the movement of the Cahu to Shanghai (bringing the Paney survivors) was in response to Japanese warnings. The British and American naval authorities informed the Japanese naval authorities that they maval vessels would remain in the River as long as necessary and that the warning would be disregarded. Later the Japanese rade every effort to recall the issuance of the warning.

#### SOUTH CHINA

There are persistent reports, smilly from Chinese sources, that the Japanese intend to make a landing in South China. Japanese transports with saval convoy have been reported in the vicinity of Hongkong and Jarmesa. Landings are predicted in the vicinity of Chikimi Island, at Suntow, Amoy and Josehow.

Jupanese aircraft continue to make daily raids on Honghong-Canton Railways and roads. Chinece report Japanese aircraft carriers in Bias Bay.

A second highway from Canton to the Bengkong border via Tungkun has been opened. The British have also completed a link beturen the Chinese road and the Bengkong highway. A new highway bridge will be constructed at Shumshun soon, thus ereating an unbroken highway between Hengkong and Canton.

Japanese are reported to have pursued and captured Chinese customs vessels in British waters near Konghong. Thirty Japanese

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## GONFIDENT \*

sailors were reported to have landed on a beach in British waters.

The loss of Manking does not appear to have desponed the war spirit in South China. Government messapers advise the populace to regard peace talkers as traitors. Hadam Fung Tu-Adiang is at Resilin carrying on propagation.

Major, Y.A.

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CONFIDENTIAL.

## GONFIDENT A

sailous were separted to have landed on a beach in British untere.

the loss of Marking door not appear to have despend the var spirit in South China. Government newspapers advise the papeians to regard peace talkers as traitors. Hadens Fung Ta-billing is at Emilia corrying on propagation.

> Milliam Mayer, Major, T.A.

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CONFIDENTIAL.

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## **DOCUMENT FILE**

## **NOTE**

SEE 859.9111/174	FOR Des# 72	)	
			-
FROMDenmark	( Owsley ) DATED		

#### REGARDING:

Danish press comments on the sinking of the PANAY, and attitude of the nations in regard to war, especially Japan and China.

DANISH PRESS COMMENTS ON THE SIRE OF OF THE SPANAY.

(Excerpts in translation). "Japanese goods are cheap.

This also applies to their excuses. The Japanese are

polite people..... Their recent march of victory at Shanfhai spoke for itself and its significance was readily

understood by America and The European powers. Japan

intends to control the Par heat: "Asia for the Asiaties".

"However, Japan does not wish to get into war either with Great Britain or the United States, but at the same time Tokio takes it for granted that Great Brit" ain and America wish still less to get into war with Japan. The queer thing in this world is that practically all states wish to avoid war. However, while there are some that wish to avoid war at any cost, there are others then take adventage of this state of affairs.

This is particularly true in Chine. The Japanese do not only wish to destroy the Chinese Army, but also European and American influence.....

"There can be no doubt but that the episode on the Yangtse has made a deep impression in the United States. It was a series of such episodes which ultimately created such a sentiment in America that the country went into war. The sinking of the American vessels will contribute toward increasing the anti-Japanese sentiment - but more than this will not happen. The world war has not yet been forgetten."

### DOCUMENT FILE

#### NOTE

SEE	853,00 P. R./101	FOR Des#1	42
FROM	Portugal	(	Dec. 22, 1937

#### REGARDING:

Press comments on the war in the Far East and to its repercussions in the United States, the PANAY incident, and the American-British naval demonstration.

The main headlines of the past week have been devoted to the war in the Far East, and particularly to its repercussions in the United States. The "Panay", the question of an American-British naval demonstration, speculations regarding an apology from the Emperor, are all given large space.

DIARCO DE KOTICIAS of the 18th had the following headline:

"Roosevelt refuses to have a pleasacite on war questions", and on the 18th the "Ludlow Flebiscite Ection" was mentioned several times in the papers.

O SECULO of the 16th reported that Commander Cabral had left Lisbon on the 15th en route to England to take delivery of four hydroplanes which he will accompany to Masac.

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Department of State letter, August 10, 1972
By Mitter 0, Sustain NARS, Date /2-/8-75

## ACCESS RESTRICTED

he item identified below has been withdrawn from this file:
File Designation 793.94/12.37
Date Dec. 20,1937
Prom diveligation report
To advise on Pol Relation
n the review of this file this item was removed because access to it is
estricted. Restrictions on records in the National Archives are stated
n general and specific record group restriction statements which are
vailable for examination. The item identified above has been withdrawn
ecause it contains:
Security-Classified Information
Otherwise Restricted Information
R. C. Huse  Authority  Date

GENERAL SERVICES ADMINISTRATION

GSA FORM 7117 (2-72)

GSA DC 72.10421

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
Re M:Htm D. August 10, 1972
NARS, Date 12-18-75

# TELEGRAM RECEIVED

ΕG

Tsingtao via N. R/ Dated January 11 1938

Rec'd 5:50 a.m.

Secretary of State,

Washington.

"行政"

793.94

January 11, 3 p.m.

Japanese naval authorities have ordered away from the Tsingtao municipal pier the American and British naval signal men who were on duty there for purposes of communication with their respective American and British men of war in port.

Sent to the Department, Hankow, Peiping.

SOKOBIN

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FILE NO.	793,94/1	2039	3/18/52
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DATE OF FOC.	DOC. NO.	SECURITY CLASS.	DATE CHARGED
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Department of State letter, August 10, 1972
By Mitty D. Superfection NARS, Date 12-18-75

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## THE WHITE HOUSE WASHINGTON

CONFIDENTIAL

January 3, 1938.

MEMORANDUM FOR THE SECRETARY OF STATE:

The enclosed was handed to me by the Chinese Ambassador on Friday. I explained to him that he would realize that it would be difficult for me to reply to it in a way which would satisfy General Chiang Kai-shek. I suppose, however, that some reply ought to be made.

What do you recommend?

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F.D.R.

Jenuary 7 1958

Division of FAR EASTERN AFFAIRS AN 5 - 1938

ARTMENT OF STATE RECEIVED JAN 8-1938 DIAISION OF

STISER ON POLITICAL RELATER JAN 5 - 1938

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. declara NARS, Date 12-18-75

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My dear Mr. President:

In accordance with your request of January 3, 1938, there is enclosed for your consideration a draft of a message which you may wish to send to His Excellency General Chiang Kai-shek in reply to his letter of December 24, 1937, conveyed to you by the Chinese Ambassador at Washington. In the opinion of this Department, your letter may most appropriately be transmitted to the American Ambassador in China for delivery. If the suggested method of delivery should meet with your approval, it is suggested that the reply be returned to this Department for forwarding to the Embassy at Hankow by Maval Radio.

The

The President,

The White House.

-8-

The letter addressed to you by His Excellency General Chiang Kai-shek is returned to you herewith, a copy having been retained for the Department's files.

Faithfully yours,

Cordell Hull

#### Enclosures:

- l. From Ris Excellency General Chiang Kai-shek, December 24, 1937.
- 2. To His Excellency General Chiang Kai-shek. (Draft)

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. disaffire NARS, Date 12-18-75

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#### Dear General Chieng:

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. .

I am glad to have Your Emcellency's letter of December 54, 1937, which was delivered to me personally by His Excellency the Chinese Ambaseader here on December 51.

In this letter you have been so good as to give me your appraisal of various features of the situation in the Fur East and your views in relation to the problem of world peace.

Reediese to say, I have been giving much attention to the situation and the problem to which you refer. The unfortunate conflict in the far East is of concern not only to the two countries most directly involved but to the whole world. Both the people and the Covernment of the United States view with anxious solicitude and prefound regret the destruction which is being wrought by end in consequence of the hestilities between Japan and China. The cause of peace is one which

Ris Szeellemey Semeral Chiang Kai-shek, Chairmen, Hatianal Defense Council, Hackov, Chian. DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter D. due from NARS, Date 12-18-75

we have very much at heart. We are giving constant study and thought to the problem of vary and means which my contribute most offerively toward presenting, peace and facilitating intermational expectation. Our offerto toward those ends will not be related. It is our express here that out of the present conflict in the Fur East, and in place of it, there will come a cettlement which, by virtue of reasonable previous adequately considerate of the rights and legitimate intercess of all peoples concerned, will provide a basis for amicable relationships and an embaring peace,

Simeerely years,

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Austran NARS, Date 12-18-75

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COPY: REK

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CHINESE EMBASSY WASHINGTON

His Excellency Franklin D. Roosevelt The President of the United States Washington, D. C.

Never in her long history has China been confronted with such a grave crisis as she is going through today and never has peace of the Far East been so disastrously disturbed as it is today. In the last five months, China has engaged in a life and death struggle against Japan. Armed with the ultra-modern implements of war and displaying a cruelty characteristic of mediaeval barbarism, the Japanese land, naval and air forces have seized city after city, massacred numberless non-combatants including not a few foreign nationals, and destroyed immense amount of property not even sparing cultural, religious and charitable institutions. In the relentless prosecution of their aggressive campaign, they have disregarded, and even deliberately violated, the rights of third countries with the evident intention of realizing Japan's long cherished ambition to dominate the whole Pacific region. They are now in unlawful occupation of large parts of North China as well as important cities and towns along the Nanking-Shanghai Railway including the Capital of the Republic. A puppet regime purporting to be "The Provisional Government of the Republic of China" has been set up by the Japanese militarists in Peiping. They are yet further extending their invasion in different directions. According to the present indications, attempts are being made to penetrate Northern Kiangsu, Shantung, The Yangtze Valley and

112-3

-2-

Valley and South China.

Marshalling all our available forces, we have combatted the Japanese onslaught to the best of our ability. With the firm determination to preserve our national existence we have made supreme sacrifice --- sacrifice in man-power, in resources, in commerce and industry. We are shedding blood in the hope that the nation may live in peace and with honor. We are not fighting a war in the ordinary sense of the word. But we are resisting the wanton aggression and repelling the fierce attacks on our own territory. We are fighting for the liberty of the Chinese nation and against the common menace to the mankind. We are not only defending ourselves, but also the principle of the sanctity of treaties especially the Nine Power Treaty, under which the sovereignty, independence and the territorial and administrative integrity of China should be respected by Japan and other signatory Powers. We will not surrender to Japan's brutal force, but will continue our resistance until the Japanese Government abandons its aggressive policy, until our national administrations are restored to us and until the principle of inviolability of the international covenants is vindicated.

Throughout the conflict, the Chinese people have been conscious of, and felt grateful for, moral support we have received from the United States. We know that under Your Excellency's able leadership, the American Government with

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Government with its proverbial sense of justice and always guided by its traditional policy in the Far East will do its best to uphold all legal and treaty rights and maintain law and order so necessary for the peaceful conduct of international relations. On behalf of the Chinese people, I therefore take liberty at this critical moment of urgently appealing to Your Excellency and, through you, the American people to render such effective assistance to China as will enable the struggle for the cause of world peace and solidarity to be carried on to a successful conclusion at an early date. I am sure that the Chinese people will be forever grateful to Your Excellency for all your efforts towards that end.

Chiang Kai-shek

December 24, 1937.

THE WHITE HOUSE

January 12 1937 While here

His Excellency

General Chieng Kai-Shek,
Chairmen, National Defense Council,
Hankow, China.

BY POUCH

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Surjey NARS, Date /2-/8-75

## DEPARTMENT OF STATE

DIVISION OF PROTOCOL

#### MEMORANDUM FOR THE FILE

usion of

January 12, 1938

Mr. Forster of the White House telephoned this morning and stated that letter signed by the President and addressed to Chiang Kai-Shek had been sent to the Department late last evening and the envelope was marked "By Pouch". He stated that the letter was drafted in the Department and that the Secretary requested that it be returned to the Department to be sent by naval radio. I immediately inquired at the Mail Room and received the letter. Mr. Forster asked me to open the letter and see that the proper person received it.

Mr. Ballantine, FE, requested PR to attend to the transmission of the letter. He asked that a Naval Radio be sent to the Ambassador at Hankow quoting the contents of the President's letter and that the original be sent under cover of an instruction to the Ambassador at Hankow for delivery. When these messages have been transmitted FE will call the Chinese Ambassador and inform him concerning the action taken.

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitter 0. Charleton NARS, Date 12-18-75

January 19 1938

COMPIDENTIAL - STATE CHE CHEY

To the American Consul General, Hong Kong.

There is enclosed a cover addressed to the American Ambassador at Hankow containing a letter addressed by the President to General Chiang Kai-Shek, which the Ambassador is directed to deliver. It is requested that the consular officer in charge forward the cover to the Embassy at Hankow by such postal or other facilities as are available at the time of the receipt of this instruction.

Enclosure:

Instruction to Ambassador. Letter from the President to General Chiang Kai-Shek, January 11, 1938.

FE:JWB:NN 1/18/37 TE mm.

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A true copy of the skyled original,

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OR / 1938.

JAN 19 1938.

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January 19 1938

To the American Ambassador,

Hankow.

The Secretary of State refers to the Department's telegram transmitting a message from the President to General Chiang Kai-Shek, and encloses herewith for delivery to him the original letter signed by the President.

Enclosure:
From the President to
General Chiang Kai-Shek,
January 11, 1938.

793.94/12039

Wyrincs: GL# 1/13/38

JAN 19 1938.

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112-5. ٠.ا PREPARING OFFICE TELEGRAM SENT Collect NONCONFIDENTIAL CODE Department of State Charge Department X Charge to Washington, \$ 1938 JAN 19 AM 10 57 OCH STATE STATE NAVAL RADIO 184.184A SP 1889 AMEMBASSY HANKOW (CHINA) Just Please deliver the following message to General Chiang Kai-Shek: QUOTE January 11, 1938. Dear General Chiang:-I am glad to have Your Excellency's letter of December 24, 1937, which was delivered to me personally by His Excellency the Chinese Ambassador here on December 31st. In this letter you have been so good as to give me your appraisal of various features of the very unfortunate situation in the Far East and your views in relation to the problem of world peace. Needless to say, I have been giving much attention to the situation and the problem to which you refer. The tragic conflict in China is of concern not only to the two countries most directly involved but to the whole world. Both the people

Enciphered by and the Government of the United States view with

Sent by operator D. C. R.-No. 50

PARTAIR PLAIN

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mittm 0, dustafam NARS, Date 12-18-75

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PREPARING OFFICE Collect

TELEGRAM SENT

TO BE TRANSMITTED CONFIDENTIAL CODE NONCONFIDENTIAL CODE

Charge Department

Department of State

PARTAIR PLAIN

Charge to

Washington,

anxious solicitude and profound regret the destruction which is being wrought. The cause of peace is one which we have very much at heart We are giving constant study and thought to the problem of ways and means which may contribute most effectively toward promoting peace and facilitating international cooperation / Our efforts toward those ends will not be relaxed. It is our earnest hope that out of the present conflict in the Far East, and in place of it, there will come a settlement which, by virtue of reasonable provisions adequately considerate of the rights legitimate interests and national integrity of all concerned, will provide'a basis for amicable relationships and an enduring peace. Very sincerely yours, FRANKLIN D. ROOSEVELT. UNQUOTE.

The original letter signed by the President is being forwarded to you by pouch for delivery to General

Chiang Kai-Shek:			) free
793 94/12039 PR: HCS: GLW Enciphered by	Palh	Jus FE	2
Sent by operator M.,	who		− <del>GR</del> √4~
D. C. R.—No. 50	1-1463 U. S. GOVERNME	NT PRINTING OFFICE	JAN 19 1938

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112-7

January 25 1988

My dear Mr. Ambassador:

I know that you will be interested to learn that the reply to the message from General Chiang Kai-Shek which you personally handed to the President on December 31, 1937, was transmitted by naval radio on January 19 to the American Ambassador at Hankow, and the original letter signed by the President was forwarded by diplomatic pouch to the Ambassador for delivery to General Chiang.

There is enclosed herewith a copy of the President's reply to General Chiang.

I am, my dear Dr. Wang,

Sincerely yours,

GEORGE T. SUMMERLIN

Enclosure: Copy of a letter,

His Excellency

Dr. Changting T. Wang,

Chinese Ambassador.

793.94/2039 PR:HCS:GLW 1/21/38 1/24/38

A true copy of

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. Susiafim NARS, Date 12-18-75

(From Telegram No. 27, Confidential, January 19, 1938)

#### THE WHITE HOUSE

Washington, January 11, 1938.

#### Dear General Chiang: -

I am glad to have Your Excellency's letter of December 24, 1937, which was delivered to me personally by His Excellency the Chinese Ambassador here on December 31st.

In this letter you have been so good as to give me your appraisal of various features of the very unfortunate situation in the Far Fast and your views in relation to the problem of world peace.

Meedless to say, I have been giving much attention to the situation and the problem to which you refer. The tragic conflict in China is of concern not only to the two countries most directly involved but to the whole world. Both the people and the Government of the United States view with anxious solicitude and profound regret the destruction which is being wrought. The cause of peace is one which we have very much at heart. We are giving constant study and thought to the problem of ways and means which may contribute most effectively toward promoting peace and facilitating international cooperation. Our efforts toward those ends will not be relaxed. It is our earnest hope that out of the present conflict in the Far East, and in place of it, there will come a settlement which, by virtue of reasonable provisions adequately considerate of the rights, legitimate interests and national integrity of all concerned, will provide a basis for amicable relationships and an enduring peace.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

His Excellency
General Chiang Kai-shek,
Chairman, National Defense Council,
Hankow, China.

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972

By Mitty 0, Sustain NARS, Date 12-18-15

AND RECT

CHURCH OF THE HOLY TRINITY
157 MONTAGUE STREET

C S BHOOKLYN - - NEW YORK

793.94

1937 DEC 27 AM 9 47

DIVISION OF COMMUNICATIONS

Hon. Corde IN HULL State Department Washington, D. C.

Dear Mr. Hull:

A My

JEDUSTY

ONISER ON POLITICAL HELATIC

MR. HORNBECK

FEB 4 - 1938

SEPARTMENT OF STATE

We have read with concern that the President is determined to follow a "strong policy" in the Panay crisis in the Far East and that possibly more warships are to be sent to the area of conflict and that no withdrawal of military forces is contemplated. We are also disturbed that the public is not more generally aware of the fact that the Panay at the time it was sunk was engaged not only in carrying refugees but also in escorting up the river three Standard Oil Company tankers that were sunk at the same time. (N.Y. Times dispatch, Dec. 17, by its correspondent Norman Soong who was one of the newspaper men aboard the Panay). We would like to ask the State Department to confirm or deny this fact and also to state whether these tankers were engaged in carrying oil for China, an essential war material, as well as refugees.

Even if they were carrying oil, we do not think that justifies the Japanese attack on the Panay. But we believe it illustrates a principle we thought generally accepted, namely, that you cannot insist upon selling war supplies to one nation at war without conflict with the other belligerent. Neither can you keep neutral warships and men in a war area without grave risk of becoming involved. Therefore some of the ultimate responsibility for the present crisis must in our judgement rest upon the President for his persistent refusal to recognize a state of war between China and Japan and to withdraw Americans and American ships from the danger zone, a policy earnestly advised by many leaders in Congress.

We realize how great if the temptation now to make a determined effort to compel Japan to guarantee the safety of our trade and citizens in the war zone and to abandon any plans she may have to extend her conquests that might further close China to English and American commercial interests. We do not believe, however, that a nation at war is likely to yield to such an effort by the United States, unless it is accompanied by a threat of the use of

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CHURCH OF THE HOLY TRINITY
157 MONTAGUE STREET
BROOKLYN · · · NEW YORK

superior armed force, and even that might not suffice.

Everyone conceeds that this country is strongly opposed to embarking in another foreign war. It would be the part of wisdom therefore, for us to avoid diplomatic bluffs which cannot of themselves change Japanese policy, but which may break down the will to peace among our people, and lead us step by step to the brink of another disastrous war.

We heartily favor international cooperation of all kinds short of war, particularly that kind of conference of pacific powers which would deal realistically with the economic causes of Japanese aggression. We think that is ultimately the only way of preventing war. But we believe that when war once breaks out, experience shows that efforts to put pressure on one side or the other are either ineffective or lead to more war. We therefore call upon the President to apply the law now on our statute books and withdraw Americans and American warships from the war zone.

We are well aware that such withdrawal will not keep us out of a war if it is big enough and long enough. But it will help us to stay out of some wars altogether and to stay out of others a long time. Any such gain is a great gain, for modern war results in inconceivable evils far in excess of any conceivable good.

Sincerely yours,

J. Henry Carpenter, (executive secretary, Brooklyn Church & Mission F.
Phillips Packer Elliott (pastor,
First Presbyterian Church)
John Paul Jones (pastor, Union
Church of Bayridge)
John Howland Lathrop (pastor,
Church of the Saviour)
Henry Neumann (Leader, Society for
Ethical Culture)
Jessie Wm. Stitt (pastor, Marcy
Ave. Baptist Church)
L. Bradford Young (associate rector,
Church of the Holy Trinity)

P. S. - This letter is being released to the newspapers.

In reply refer to FE 793.94 Young, L. Predford, et al

January 10 1935

My dear Mr. Young:

The receipt is acknowledged of your letter of December 23, 1937, in regard to the Far Eastern situation.

The comments and suggestions contained in your letter have received careful consideration and the spirit which prompted you to set forth your views is appreciated.

With regard to your inquiry concerning the U.S.S.

Panay and the three vessels belonging to the Standard

Vacuum Oil Company, it is the Department's understanding
that the Panay and the ships belonging to the Standard

Vacuum Oil Company were at the time of the bombing endeavoring to remove from the hasardous Nanking area to a
place of safety a number of persons, including the staff
of the American Embasey. The Department understands also
that the Standard Vacuum Oil Company's vessels carried

oil

The Reverend
L. Bradford Young,
Associate Rector,
Church of the Holy Trinity,
157 Montague Street,
Brooklyn, New York.

7 / 7

oil for the use of the U.S.S. Panay and certain other naval supplies.

With regard to the matter of the withdrawal of American forces from China, it may be said that the question of the types and degrees of protection which this Government should afford to its citizens abroad presents many difficulties and is one in regard to which opinions may very readily differ. In a situation such as has prevailed in the Far East there have been developed during more than a century certain rights, certain interests, certain obligations, and certain practices. In the light of peculiar features inherent in the situation, all of the major powers have developed and employed, with authorization by the Chinese Government, methods for safeguarding the lives and interests and property of their nationals believed to be appropriate to the situation and warranted by the peculiarities thereof. Thus, for instance, there came about and there is still in existence the system of extraterritorial jurisdiction and various of its concomitants. Concurrently, many nationals of this and other countries have, during several generations, gone to China, established themselves there in various occupations and activities, and subjected themselves both to the advantages and to the disadvantages of the conditions prevailing there;

and the American Government has, along with other governments, accepted various rights and incurred various obligations. In a situation such as now prevails, many of our nationals cannot suddenly out themselves off from the past nor can the American Government suddenly disavow its obligations and responsibilities. The American naval vessels and the small contingents of American landed forces which have been maintained in China were placed and have been kept there solely for the purpose of assisting in the maintenance of order and security as affecting the lives, the property, and the legitimate activities of American nationals, especially in regard to conditions of local disorder and unauthorised violence. These vessels and troops have never had in any sense any mission of aggression. It has long been the desire and expectation of the American Government that they shall be withdrawn when their appropriate function is no longer called for.

Officers of the American Government have repeatedly and earnestly advised American citizens, in face of dangers incident to residence in China, to withdraw and are making every effort to provide safe means whereby they may depart. During the current situation in China the American military and naval forces have rendered important service in protecting the lives of American nationals, in assisting in evacuating Americans from areas

-4-

of special danger, and in making possible the maintenance of uninterrupted communications with our nationals and our diplomatic and consular establishments in the areas involved.

In connection with your inquiry concerning the application of the Neutrality Act to the situation now obtaining in the Far East, your attention is invited to the remarks of the Honorable Sam D. McReynolds, Chairman of the House Committee on Foreign Affairs, as set forth on pages 151, 152, and 153 of the Congressional Record of November 17, 1937. It is believed that you will find a satisfactory answer to the question raised in your letter from a perusal of Mr. McReynolds' statements. Copies of the Congressional Record may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C.

It may be stated also that a cardinal principle of our foreign relations and one which is never lost sight of is to avoid being entangled in hostilities and that the Administration is endeavoring to follow an unbiased course in connection with the Far Eastern situation and is giving close attention to every phase of that situation toward making effective the policies, especially the policy of peace, in which this country believes and to which it is committed.

-5-

As of interest in this connection, there is enclosed a copy of a statement given to the press by the Department of State on August 25 outlining the policy on which this Government is proceeding with reference to the situation in the Far East.

Sincerely yours,

For the Secretary of State:

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Maxwell M. Hamilton Chief Division of Far Eastern Affairs

Enclosure:

Press release of August 25, 1937.

FE:ECC:HES 1-5, 7

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## TELEGRAM RECEIVED

EG 1-18

GRAY FROM

Tsingtao via N. R.

Undated

Rec'd 5:50 a.m. Jan.11, 1938

Secretary of State, COPIES SENT TO

Washington

U.N.I. ANDWILD

FCR WAR DEPARTMENT FROM DORN

Priping and Hankow please transmit to Military Attachs.

Japaness aircraft dropped bombs on market village and industrial settlement outside Tsingtao while Japanese fleet of destroyers, aircraft carrier and tender, transports and cruisers entered the harbor. Japanese admiral warned foreigners by leaflets dropped from aircraft remain out of danger areas. Japanese naval officers came ashore to arrange for meeting in afternoon for peaceful turning over of city and expressed surprise because the city was not completely destroyed. Fifteen hundred marines with artillery landed and marched into Tsingtao without incident. Japanese state that 1500 more troops will land tomorrow. Weihsien reported occupied by Japanese who also have advanced through Mengyin to Lishan, about 100 miles south of Changtien. Tsingtao

F/FQ

193.94/ [204]

-2- Undated from Tsingtao via N.R. for War Department railway reported in operation to Yellow River. If Japanese advance through Tsining in southwest Shantung through Kweiteh or Shangkiu, in northeast Honan Province, Li Tsung Jen probably will be forced to abandon the east end of the Lunghai Railway.

SOKOBIN

RR:WWC

793.94/12042

# TELEGRAM RECEIVED

JR

FROM GRAY

Tsingtao via N. R.

Dated January 10, 1938

Rec'd 5:50 a

Secretary of State,

Washington.

II. AND M.I.D.

January 10, 5 p.m.

Japanese announced official occupation  ${\cal N}$  Tsingtao at 3:30 p.m., when they thanked foreign special volunteer police for their efforts to preserve law and order. The volunteer police will be dissolved immediately but Chinese police have been requested by Japanese admiral to continue to function.

Telephone report from Kiachow states that Kiachow visited today by 11 Japanese planes for observation purposes only. It is reported at Kiachow that Chuchang was bombed by Japanese planes today and that the Japanese have occupied Weihsien 115 miles from Tsingtao.

Sent to Peiping, Hankow.

SOKOBIN

RR

#### TELEGRAM RECEIVED

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PLAIN

Hankow via N. R.

Rec'd 9 n.m.

FROM Dated January 11, 1938

Secretary of State,

Capies Sent To GALL AND M.LD. Washington.

25, January 11, 4 p.m. / /2026 Your January 10, 4 p.m.

On January five I wrote to the Minister for Foreign Affairs informing him of return of Embassy personnel to Embassy, Nanking and continued "There is considerable American property in Nanking scattered about the city, information concerning which was communicated to you some months ago.

In view of the fact that a day or two ago Chinese airplanes carried out an air raid over Nanking dropping bombs on the water front near the railway station and other places I desire to remind you of the presence of the staff of this Embassy in Nanking, of the presence there of Americans and of American property; and to ask that you will convey this information to the military and air services of the Chinese Government with the request that due care be taken, in any military operations over or around Nanking by land or from the air, to

protect

-2- No. 25, January 11, 4 p.m. from Hankow via N. R. protect these Americans and their property". No further action seems necessary. Copies of letter were given to colleagues here. Sent to Nanking, repeated to Shanghai.

JOHNS ON

KLP:W/C

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# 793.94/ 1204

# DOCUMENT FILE NOTE

SEE	841.00 P.R./523	FOR	fordespatch #3711		
	Great Britain	•	DATED	Dec.27, 1937	
то		NAME	DATED	11127 ero	

REGARDING: New Administration in China.

THE RESERVE THE PARTY OF THE PA

British Government recognize the Central Government as the Government of all Chine. No question of recognizing the new administration. Central Government as the Government of all China. There is, therefore, no question of recognizing the new Administration."

## Far East - New Administration in China

Mr. Eden was asked in the House of Commons on December 20 "whether he would give an assurance that His Majesty's Government would not recognize in any way the provisional government installed in Peking by the Japanese authorities," to which question he replied:

"His Majesty's Government recognize the

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#### DOCUMENT FILE

#### NOTE

EE 393.115/108	FOR Telegram #43, 5 pm.	+ / 12
ROMShanghai	( Gauss ) DATED January 8, 1938	045

REGARDING: Looting of American property by Japanese troops at Soochow and Hangchow. Report of by American missionaries, despite markings and notices on property indicating American ownership. Protest made to Japanese Consul General at Shanghai.

wth

12045

MY

393.115

Washington.

393.1163 Washington.

GRAY

Shanghai via N. R. Dated January 8, 1938 Rec'd 6 a.m., 9th

43, January 8, 5 p.m.

Reports received from American missionaries at Soochow and Hangchow indicate that there has been much looting of American property by Japanese troops in spite of the fact that almost without exception such properties were clearly marked by American flags and that in many instances they also bore notices issued by this office in the English, Japanese and Chinese languages indicating American ownership.

I have protested to the Japanese Consul General here against the looting of American property which appears to have been continuing and have requested that these facts be brought to the immediate attention of General Matsui; that the soldiers responsible he disciplined and that stringent orders be issued and enforced to prevent extended looting, to protect to the fullest extent all American property in the areas now occupied by troops under General Matsui's command. I feel that similar representations in

Tokyo

🚜 🕰 -2- #43, January 8, 5 p.m. from Shanghai

Tokyo would materially assist in inducing the Japanese authorities to take really effective measures to prevent further locting and give adequate protection to American property. Repeated to Tokyo.

GAUSS

TFV:DDM

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitty D. Queles NARS, Date 12-18-75

4556

#### TELEGRAM RECEIVED

FROM

Tokyo

A portion of this message must be closely paraphrased before bring communicated to anyone. (A) to anyone.

Dated January 11, 1938

Rec'd 9:50 a.m.

Secretary of State,

Washington.

20, January 11, 7 p.m. DT (CRAY) My 17, January 10, 2 p.m.

One. The Imperial conference met at 2 o'clock

this afternoon and adjourned after one hour's deliberation. A bulletin issued to the press stated briefly that the conference approved the principle adopted by the Cabinet (see paragraph 4 of telegram above cited). An official in the Foreign Office informed us in reply to request for amplification of the bulletin that contrary to a rumor now current that a full statement would be given to the press of today's proceedings nothing would be given out "for the time being". (END GLAY)

Two. We have been unable to get any reliable information on even the trend of the discussion at the conference. As relatively full accounts have been given out of recent Cabinet meetings, in which it was made clear that there was a division of opinion on the question of a declaration of war, but that full agreement prevails

-2-100. 20, January 11, 7 p.m.

on the basic policy of carrying on the hostilities to a successful conclusion, the brevity of today's proceedings does not (repeat not) suggest that decision was taken to declare war. If a decision was reached to take any action of a concrete nature the probabilities are that it would involve de jure recognition of the "Provisional Government of China" and as a necessary preliminary act withdrawal of recognition of the Chinese Government.

(GRAY) Repeated to Peiping for relay to Johnson.

GREW

RR:CSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. Supergram NARS, Date 12-18-75

[CONFIDENTIAL]

#### PARAPHRASE

A telegram (no. 20) of January 11, 1938, from the American Embassy at Tokyo reads substantially as follows:

The Imperial conference met at 2 o'clock on the afternoon of January 11 and adjourned after one hour's deliberation. A bulletin issued to the press stated briefly that the conference approved the principle adopted by the Cabinet. (See paragraph 4 of telegram no. 17 of January 10 from Tokyo.) An official in the Foreign Office informed the Embassy in reply to request for amplification of the bulletin that contrary to a rumor now current that a full statement would be given to the press of the proceedings of January 11 nothing would be given out "for the time being".

The Embassy has not been able to obtain any reliable information with regard even to the trend of the discussion at the
conference. With regard to recent Cabinet meetings there have
been given out comparatively full accounts in which it was made
clear that as regards a declaration of war there was a division
of opinion but that as regards the basic policy of carrying on
hostilities to a successful conclusion there was full agreement.
Therefore, the shortness of the proceedings on January II does not
suggest that it was decided to declare war. It is probable that
if any action of a concrete nature was decided upon such action
would involve de jure recognition of the "Provisional Government
of China" and withdrawal of recognition of the Chinese Government
as a necessary preliminary act thereto.

This telegram was repeated to Embassy, at Peiping for relay to the Ambassador at Hankow.

FE: EGC: HES FE

1-11

### TELEGRAM RECEIVED

JR

COMSOPAT

FROM anuary 11, 1939

REC'd 1:44 p.m.

ACTION: OPNAV

INFO:

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SECOND BRIGADE USIC COMSUBRON FIVE CINCAF

COMDESRON FIVE

CINCAF

COMYANGPAT AMN AMBASSADOR CHINA MARBLEHEAD

Olll. Usual air raids railroads vicinity Canton, otherwise South China ports quiet. 2000.

CSB

793.94/12047

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### DOCUMENT FILE

#### NOTE

SEE 701.9365/14 Contidertial File	FOR	#809	.94/
FROM Italy	(Phillips)	DATEDDec. 20, 1937	1204
то	NAME	1-1127	<b>*</b>

REGARDING:

Italian attitude toward the Sino-Japanese conflict commented upon in connection with departure of the Chinese Ambassador from Rome. Note from Foreign Office to the Chinese Ambassador relative to neutral attitude of Italy.

emc

84021/12048

TELEGRAM RECEIV

EG
This message must be closely paraphrased before being communicated to anyone. (C)

Fromankow

Dated January

CONLIANY UN SIGNATURE OF M.

Secretary of State

Washington.

JAN 1 2 1938

23, January 11, 2 p.m.

CONFIDENTIAL FOR THE SECRETARY

My 1/ January 1, 10 p.m.

JAN 1 1 1938

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193.94119

In a conversation which Peck had with Mo recently recently latter stated that a reply might be communicated to the Japanese Government through the German Ambassador within two or three days. So far as I know this has not been done. Vice Minister stated that it would be impossible for the Chinese Government to accept these terms or to surrender to the Japanese Government in any way; that Generalissimo was firm in his determination that China should continue resistance; that if Chinese Government were to consent to terms dictated by Japan chaos would result as country would not support the Government. Vice Minister stated that all important persons and sections of Chinese Government were firm in their belief that China had no choice but to resist Japan as long as possible. They believed that the farther that the Japanese forces advanced into the interior of

China

F/F

193.94/12049

•

-2- No. 23, January 11, 2 p.m. from Hankow

China the more effective would China's resistance become. He stated that Chinese Government still cherished expectation that if resistance was continued long enough and if Japanese disruption of American and British interests extended to all parts of the country, the United States and Great Britain would finally take joint action to restrain Japan's lawless acts. Peck endeavored to disabuse Hsu Mo of any such expectation as regards future policy of the United States, but although Hsu Mo stated that he personally realized this it is doubtful whether he really has given up any such hopes.

Two. In a personal message to me Admiral Yarnall has suggested that the time may be ripe, in view of the terms reported in my telegram above mentioned, for the principally interested powers, taking note of the published accounts of such terms, to issue to the Japanese a warning that they would not recognize a settlement in violation of the provisions of the Nine Power Treaty, thus establishing a basis for concerted action if that were later considered necessary. I desire to pass this suggestion on thus confidentially as one in which I would be inclined to concur.

Three

-3- No. 23, January 11, 2 p.m. from Hankow

Three. Entire situation is complicated for me, however, by the fact that I cannot escape the conviction that, whatever statements may emanate from official Tokyo as to Japanese intentions on the mainland, the Japanese military represented by General Matsui and his young officers at Shanghai, and Admiral Suetsugu, newly appointed Japanese home Minister at Tokyo, intend to pursue in China, as evidenced by ultimatum served upon the Municipal Council of the International Settlement of Shanghai (reported in Shanghai's 15, January 5, 9 a.m.) and the Admiral's recently published explanation of reasons for anti-British feeling in Japan, a policy aimed at reacting occidental influence and interests from China, I am even convinced that the action of Japanese soldiers at Nanking who carried out mass executions of Chinese soldiers that had given up their arms to certain foreigners of the committee which organized the safety zone for noncombatants, was partly motivated by a desire to convince the Chinese that they must not depend upon white intervention in their opinions. We appear to face a group of young Japanese ronin who tolerate no control from Tokyo and who will be found to be recklessly contemptous of any adverse effect which their

MB - 38

-4- No. 23, January 11, 2 p.m. from Hankow

their actions in China may have upon Japan's relations with western powers, in the belief that the rest of the world is not prepared to do more than register a protest against violation of treaties relating to the Far East and to the rights and interests of third powers.

JOHNSON

KLP

alon of Ch Box 5-2, Edande, FOR ACKNOWLEDGMENT Dear her 1938 Proper desert MAM Sulfice AND CONSIDERATION Passed last net be have vate of the Fist ? Therek, adendy, Polo. Think I am at "Tesoland that he ask lang loose et, and President, To not to be show the bu of the Bouling of The accor; + to Phone of withouting to leave Postagouda in The to use his ntrunt

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0. Superfixe NARS, Date 12-18-75

Huene to less arout He Same resolution has Wearrandy adopted by The first Boptist Church Hot dhim, Colo. the Ker. E. H. Williams Posts. Inely, J. P. Birtp. Meninga. First Beptiel Church Cedardy, Colo.

In reply refer to FE 793.94 Bit 1985.

January 27 1938

My dear Mr. Bishop:

The receipt is acknowledged, by reference from the White House, of your letter of January 3, 1938, quoting a resolution unanimously adopted by the First Baptist Church of Cedaredge, Colorado, and by the First Baptist Church of Hotchkiss, Colorado, in regard to the Far Eastern situation.

We are very grateful to you for your courtesy in making known to the Government the views expressed in this resolution.

With regard to the display of the motion pictures taken at the time of the sinking of the U.S.S. Panay, it may be observed that the films under reference are privately owned and that they are in no sense being

displayed

The Reverend

O. P. Bishop,

Box 52,

Cedaredge, Colorado.

793.94/12049 <mark>-</mark> 2

F/FG

displayed under the auspiess of the Government of the United States. Furthermore, the matter of censorship of films of this character is one for consideration by the appropriate authorities of the respective states rather than by the Federal Government.

I assure you that a cardinal principle of our foreign relations and one which is never lost sight of is to avoid being entangled in hostilities and that the Administration is endeavoring to follow an unbiased course in connection with the Far Eastern situation and is giving close attention to every phase of that situation toward making effective the policies, especially the policy of peace, in which this country believes and to which it is committed.

Sincerely yours,

For the Secretary of State:

H'L. The

Maxwell M. Hamilton Chief Division of Far Eastern Affairs

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OR V Sm

JAN 25 1938.PM

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DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFI

4.1938

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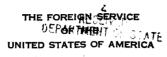
, JWB

This despatch (Tokyo's 2707, Dec.10,1937, "Sino-Japanese Relations") need not be read.

It is a routing despatch transmitting for the files detailed records, memoranda, etc. already.

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1938 JAN !! PM 1 53

AMERICAN EMBASSY

No. 2707.

DIVISION OF TOKYO, December 23, 1937.

SUBJECT: SINO-JAPANESE RELATIONS.

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Grade	Par Distriction		IV	
For	1	In <b>U</b> 3.7	. 1	
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Divisies of FAR EASTERN ALTAINS

The Honorable

The Secretary of State, Washington.

Sir:

With reference to the Embassy's despatch No. 2692, dated December 10, 1937, I have the honor to transmit herewith, for the purpose of the records, further copies of various notes, letters, memoranda, and other documents relating to the present Sino-Japanese conflict. Documents relating to the Chinese customs administration are being transmitted with the Embassy's despatch No. 2709, dated December 23, 1937.

710

Annex: Last of enclosures.

Respectfull Joseph C. Grew.

F/FG

12050

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793.94/12050

LIST OF ENCLOSURES TRANSMITTED WITH DESPATCH NO. 2707 DECEMBER 23, 1937.

15

- 1. The American Embassy to the Ministry of Foreign Affairs.
- 2. The American Embassy to the Ministry of Foreign Affairs.
- The British First Secretary, Mr. Clarke, to the American First Secretary, Mr. McGurk.
- 4. The American Embassy to the Ministry of Foreign Affairs.
- 5. The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.
- The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.
- 7. Statement of the Foreign Office Spokesman, December 13, 1937.
- 8. The Ministry of Foreign Affairs to the American Ambassador (Translation).
- 9. The Ministry of Foreign Affairs to the American Ambassador (Translation).
- 10. The Ministry of Foreign Affairs to the American Ambassador (Translation).
- 11. The American Ambassador, Mr. Grew, with the Director of the American Bureau of the Foreign Office, Mr. Yoshizawa.
- 12. The Minister for Foreign Affairs, Mr. Hirota, to the American Ambassador, Mr. Grew (Translation).
- 13. The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.
- 14. The American Ambassador, Mr. Grew, to the Minister for Foreign Affairs, Mr. Hirota.
- 15. The British Embassy to the American Ambassador, Mr. Grew.
- 16. The Ministry of Foreign Affairs to the American Ambassador (Translation).
- 17. The Director of the American Bureau, the Foreign Office, Mr. Yoshizawa, with the American First Secretary, Mr. McGurk.
- 18. The American Embassy to the Ministry of Foreign Affairs.
- 19. The British Embassy to the American Ambassador, Mr. Grew.
- 20. The British First Secretary, Mr. Clarke, to the American First Secretary, Mr. McGurk.
- 21. Mr. Inagaki of the American Bureau, the Foreign Office, with the American First Secretary, Mr. McGurk.
- 22. The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.
- 23. The American Embassy to the Ministry of Foreign Affairs.
- 24. The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

- 25. The American Ambassador, Mr. Grew, to the Minister for Foreign Affairs, Mr. Hirota.
- 26. The British Embassy to the American Counselor, Mr. Dooman.
- 27. The American Embassy to the Ministry of Foreign Affairs.
- 28. The British First Secretary, Mr. H. Ashley Clarke, to the American Second Secretary, Mr. Crocker.
- 29. The American Embassy to the Ministry of Foreign Affairs.

Enclosur No. 1 to despatch No. 2707 of DEC 28 1937 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF AMERICA

## Note Verbale

The American Embassy presents its compliments to the Foreign Office and has the honor to refer to statements made by the Japanese Consul General at Shanghai on December 8 at a meeting of the interested consular representatives to consider developments arising out of the march on December 3 of Japanese military units through "neutral areas" of the International Settlement. The American Government has taken note of the statements made on the part of the Japanese Consul General and is confident that the Japanese Government will put an end to apprehensions regarding future occurrences of a nature likely to lead to consequences disturbing to the preservation of order in the International Settlement.

Tokyo, December 11, 1937.

(Copy sent to the British Ambassador, Tokyo.)

Enclosure do: 2 to despatch No. 2707 of DEC 20 1937 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF AMERICA

### Memorandum

Referring to its memorandum of December 10, 1937, with regard to the proposed safety zone at Nanking, the American Embassy has received the following communication from the International Committee, Nanking:

"International Committee, Nanking, for sake of two hundred thousand civilians, seeks prompt and favorable reply to yester-day's telegram regarding armistice and with-drawal of Chinese troops from walled city of Nanking. Signed Rabe Chairman."

Tokyo, December 11, 1937.

(Copy sent to the British Ambassador, Tokyo.) (Copy sent to the French Ambassador, Tokyo.)

Enclosure NJ. 3 to despatch No.2707 of DEC 23 1937 from the Embassy at Tokyo.

The British First Secretary, Mr. Clarke, to the American First Secretary, Mr. McGurk.

BRITISH EMBASSY,

TOKYO.

13th December, 1937.

Dear Jo,

With reference to our telephone conversation this morning I am enclosing copies of the two telegrams from our Chief of Staff in H.M.S. "Bee" about yesterday's attack on British ships at Wuhu.

As I told you on the telephone, our Ambassador saw the Minister for Foreign Affairs this morning and, after explaining what had happened, protested most emphatically against this serious incident. Sir Robert Craigie suggested that a probable explanation was contained in the admission of the Japanese commanding officer at Wuhu that he had received instructions to fire on every ship on the Yangtse; which meant either that we could not rely on the assurances of the Japanese Government that they would protect non-combatants, or else that the Japanese military authorities in China were disregarding their instructions.

Sir Robert Craigie added that British public opinion was bound to take a most serious view of this incident, and urged that the Japanese Government should make a suitable apology as soon as possible.

I also enclose a copy of a letter which Sir Robert sent

Mr. Joseph F. McGurk
American Embassy,
Tokyo.

sent subsequently to the Minister for Foreign Affairs concerning attacks on British ships at Nanking yesterday (12th December).

Yours sincerely,
Ashley Clarke.

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(The British Ambassador, Sir Robert L. Craigie, to the Minister for Foreign Affairs, Mr. Hirota.)

13th December, 1937

My dear Minister,

Since our conversation this morning I have received news of further serious incidents at Nanking to which I wish to call Your Excellency's immediate attention.

At 1.30 p.m. on 12th December the ship of the British Senior Naval Officer at Nanking was subjected to dive-bombing, eight bombs being dropped. H.M.S. "Cricket" and H.M.S. "Scarab" opened fire by machine gun. The attack was renewed at 2.30 p.m. by three medium bombers who dropped six bombs. H.M.S. "Cricket" and H.M.S. "Scarab" opened fire with three inch guns and pom poms. A further bombing attack was carried out by three machines on the S.S. "Whangpu" and a British hulk at 4.15 p.m., four bombs being dropped. H.M.S. "Cricket" and H.M.S. "Scarab" opened fire with three inch guns, pom poms and Lewis guns. No damage was apparently incurred by British ships in the above-mentioned raids, although they were narrowly missed.

Protests have been lodged with the Japanese Consul-General at Shanghai, Major-General Harada and the Chief of Staff to Vice-Admiral Hasegawa by the British Consul-General Major-General Telfer-Smollett and the Senior British Naval Officer at Shanghai, who insisted on immediate measures being taken to prevent the recurrence of such incidents. The Japanese naval authorities have also been given the position of concentra-

tion

His Excellency,
Mr. Koki Hirota,
H.I.J.M.Minister for Foreign Affairs.

tion spots for British ships.

For my part, I feel that I must add that unless immediate steps are taken to put a stop to these unwarranted attacks a very serious situation may at any moment arise.

Believe me,

My dear Minister,
Yours very sincerely,

(Sd) R.L. CRAIGIE

(The British Chargé d'Affaires in China, Mr. Howe, to the British Embassy at Tokyo.)

FROM: Shanghai. (Mr. Howe)

2.16 A.M. Desp: 13th December

No: 304 of 12th Dec: en clair. 9.00 A.M. Revd:

**\*** 1937

Following is repetition of unnumbered telegram from Chief of Staff in "Bee" 1050/12 Begins:

"Ladybird" reports as follows: Begins:-

British Lumber Company's tug "Tsingtah" arrived Wuhu from Hsiasen Shan at 7.30 A.M. today with British Consul, Nanking, Military Attaché and Flag Captain on board. After these had embarked in "Ladybird" Japanese machine guns opened fire on "Tsingtah" at about 8.10 A.M. I immediately ordered steam in order to proceed alongside and protest. When I commenced weighing at 8.35 A.M. a Japanese field-gun battery clearly visible on shore opened fire on ships concentrated just above Asiatic Petroleum Company installation and kept on firing until "Ladybird" was abreast Wuhu General Hospital and "Tsingtah" was out of range downstream. "Ladybird" berthed at 9.10 A.M. Four direct hits on "Ladybird" one Rating killed, one seriously wounded and several minor injuries including Flag Captain. Damage to "Tsingtah" unknown. A direct hit was seen on Jardines "Suiwo" which was lying astern of "Ladybird" two cables above Asiatic Petroleum Company and 1 1/2 cables off shore when action commenced and is still at anchorage. investigating damage. Ends:

-2-

"Bee" arrived 9.30 A.M. and incredible as it may seem was also fired at by shore batteries as she turned to come alongside, one shot was fired at a range of 400 yards and passed over, further firing was stopped by Flag Captain and Military Attaché who were ashore protesting. Am landing now to endeavour to get in touch with senior Japanese Military Officer. Ends.

HOWE.

(The British Chargé d'Affaires in China, Mr. Howe, to the British Embassy at Tokyo.)

FROM: Shanghai

2.05 A.M.

Desp: 13th December

NO: 305

9.00 A.M.

Revd:

1937

en clair

Following is a repetition of unnumbered telegram from Chief of Staff in "Bee" 1225/12 Begins:

I have interviewed Colonel Hashimoto temporarily the senior Japanese military officer at wuhu. tested strongly against this morning's extraordinary He made futile excuses but admitted that episode. firing at war ships was his mistake and that Japanese had orders to fire at every ship on the river. It is imperative that it be immediately brought home to the Japanese high command that there are British and foreign merchant vessels and war ships at Wuhu and below as the Japanese military at Wuhu appear to be ignorant of this fact. Colonel Hashimoto has been provided with a written statement of the shipping situation at Wuhu and at notified anchorage two miles above Hsiasan Shan. Also of this morning's occurrences. He has agreed that Japanese military shall be suitably represented at the funeral of Sick-berth Attendant Lonergan which will take place on shore at 9.00 tomorrow, Monday. Ends:

HOWE.

Enclosure No. 4 to despatch No. 2707 of DEC 23 33 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF AMERICA

Aide-mémoire.

The American Embassy has just been informed that at 2:45 p.m. December 11 shells began to fall on the near shore not far up river from where the U.S.S. PANAY was anchored at San Chia Ho. Japanese bombing planes had been flying daily over the PANAY at the San Chia Ho anchorage. The PANAY, which had on board American Embassy officials from Nanking, did not move until shells began falling near the ship then proceeded up river and, at 5.00 p.m. that date, anchored at a spot 12 miles above Nanking.

The next day, December 12, at 9 a.m. shell fire again caused the PANAY to move further up stream. It anchored 27 miles above Nanking where the Standard Oil steamers, MEIPING, MEIAN, and MEISHIA loaded with refugees, were anchored.

The Commander Yangtze Patrol has been unable to contact the U.S.S. PANAY since 1.35 p.m. December 12. It was last reported as anchored 27 miles up the river from Nanking.

With reference to this Embassy's note No. 829 of December 1, 1937, it is urgently requested that immediate appropriate instructions be issued to naval forces to safeguard the U.S.S. PANAY and the above mentioned Standard Oil vessels carrying refugees. In this connection the PANAY may move up or down stream as circumstances require and the Commander thereof expects to return to Nanking as soon as possible to re-establish communication with the Americans remaining in Nanking and to permit Embassy officials to resume their functions ashore.

Tokyo, December 13, 1937.

(Copy sent to the British Ambassador, Tokyo)

Enclosure No. 5 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

Conversation

December 13, 1937.

11:30 a. m.

these

The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

Subject: U.S.S. PANAY and American Refugees on the Yangtze near Nanking.

I brought to the attention of the Minister for Foreign Affairs today and left with him a copy of our note No. 829 of December 1, with regard to the above subject, and said that we were now informed by our Ambassador at Hankow, through the Embassy in Nanking, that shells had been falling around the U.S.S. PANAY and Standard Oil ships bearing American refugees and that they had proceeded for 27 miles up the river but that the shells had followed them for at least two miles. I said that I was acting on my own initiative and not under instructions but felt that the risk to the American refugees and the American ships was so great that I wished to request the Minister once again to intercede with the military and naval authorities to insure their safety and I left with the Minister our aidemémoire of this date as well as the substance of four telegrams from Nanking and Hankow reporting the facts. of these memoranda mentioned the present whereabouts of the PANAY and the Standard Oil Company's ships loaded with refugees, last reported anchored at about 221 miles above Woosung. I asked the Minister if he desired to have

-2-

these telegrams, to which he replied in the affirmative, and I then said I was leaving them with him entirely informally and that they should not be regarded as diplomatic documents.

The Minister's only comment was that the Japanese military authorities had already warned the Americans to evacuate the area of hostilities around Nanking. I pointed out to him that regardless of any such warning the effect in the United States would be deplorable and of a serious nature if as a result of Japanese shelling and bombing American citizens should be injured on the ships mentioned.

J.C.G.

Enclosure No. 6 to despatch No.2707 of DEC 23 1937 from the Embassy at Tokyo.

Conversation

December 13, 1937.

3 p. m.

The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

Subject: Sinking of the U.S.S. PANAY.

The Minister for Foreign Affairs called on me in person at the chancery this afternoon and informed me of the receipt of a Domei report from Shanghai to the effect that in following fleeing remnants of the Chinese army Japanese planes had bombed three Standard Oil vessels and had sunk the U.S.S. PANAY which was in the close vicinity on the Yangtze above Nanking. The Minister said that he had as yet received no official report but that he had come immediately to express to our Government the profound apology of the Japanese Government and that Ambassador Saito would do the same to the Secretary of State. He said that Admiral Hasegawa had accepted full responsibility for the accident. He said that immediately after my visit this morning he had communicated my representations to the Japanese naval and military authorities. Hirota said: "I cannot possibly express how badly we feel about The Navy and War Ministers have sent similar exthis." pressions of regret to the Navy and War Departments in Washington through the Naval and Military Attachés here.

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By \_\_Mittm\_ 0, dealer\_\_\_NARS, Date \_\_/2-/8-75

Enclosure No. 7 to despatch No. 2707 Ated DEC 23 1937 from the American Embassy at Tokyo.

Statement of the Foreign Office Spokesman
December 13, 1937.

On the 12th December, Japanese naval aeroplanes, in the course of their pursuit of retreating Chinese forces discovered and bombed at a point about 20 miles upstream from Nanking more than ten steamers which seemed to them to be Chinese military transport-ships. Later it was found out that among the bombed vessels were three vessels belonging to the Standard Oil Company and that the American gunboat Panay which was in the neighborhood was sunk.

The Japanese Government deeply regret the occurrence of the unfortunate incident, although we have not yet received detailed reports regarding it. The Foreign Minister, Mr. Koki Hirota, called at 3:00 o'clock this afternoon on the American Ambassador, Mr. Joseph C. Grew, at the American Embassy and tendered on behalf of the Japanese Government the expression of profound regret and their apologies. Simultaneously, telegraphic instructions were sent to Ambassador Saito in Washington to tender, on behalf of the home Government, similar expression to the American Government.

We have received official information to the effect that at Shanghai Ambassador Kawagoe, Consul General Okamoto and the chief-of-staff of the Japanese fleet in China waters expressed regret respectively to the American authorities there today.

Enclosure No. 8 to despatch No.2707 of DEC 23 1937 from the Embassy at Tokyo.

The Ministry of Foreign Affairs to the American Ambassador.

(Translation)

No. 154, American I.

Department of Foreign Affairs Tokyo, December 14, 1937

## Memorandum

The Japanese Foreign Office has the honor to acknowledge the receipt of the American Embassy's memorandum of December 4 requesting safe conduct for a party of about seventy foreign nationals, mostly American and British women, children, and invalids, scheduled to leave Hankow at ten o'clock on the morning of December 10 for Hong Kong, and requesting also that the appropriate authorities be informed to that The Foreign Office immediately gave due consideraend. tion to the request and in consequence the Japanese authorities concerned were properly notified. It being their opinion that the authorities of the places to be passed through by the party should also be directly informed, the Foreign Office made this suggestion to the American Embassy by telephone a few days ago, which telephone conversation is hereby confirmed.

(Copy sent to the British Ambassador, Tokyo)

Enclosure No. 9 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The Ministry of Foreign Affairs to the American Ambassador.

(Translation)

No. 155, American I.

Department of Foreign Affairs
Tokyo, December 14, 1937

## Memorandum

The Japanese Foreign Office has the honor to acknowledge the receipt of the American Embassy's note No. 829 of December 1 stating that at that time there remained at Nanking about forty Americans, including five members of the American Embassy staff at the Embassy, and that a number of Americans together with other nationals are understood to be accommodated on the Jardine Matheson Company hulk lying four miles upstream from the Nanking bund. The note requests that the appropriate military and naval authorities be promptly notified.

In reply the Foreign Office has the honor to inform the American Embassy that instructions were immediately issued to the Japanese authorities on the spot to exert every effort for the protection of the Americans remaining in Nanking.

(Copy sent to the British Ambassador, Tokyo)

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. dies letter, NARS, Date 12-18-15

Enclo re No. 10 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The Ministry of Foreign Affairs to the American Ambassador.

(Translation)

No. 156, American I

Department of Foreign Affairs
Tokyo, December 14, 1937

#### Memorandum

The Japanese Foreign Office has the honor to acknowledge the receipt of the American Embassy's memorandum of December 10 stating that 18 American citizens will remain in Nanking indefinitely in connection with hospital, safety zone, and newspaper work, that officers of the American Embassy at Nanking are ashore during the daytime and evenings, that in the absence of officers of the Embassy the buildings and two compounds and a dugout at the Ning-po Road corner adjacent to the main premises are in the care of two Chinese clerks, and that servants of the Embassy and of its officers with their families are living on the premises, accompanied by seventeen special police employed by the Embassy, and requesting that the foregoing information be communicated to Japanese military authorities in order that the persons named be given all possible protection and facilities.

The Foreign Office has the honor to reply that due attention has been given to this matter and that steps were at once taken to inform the Japanese military authorities concerned. At the same time the administrative authorities detailed to this area have been instructed, in coopera-

tion

tion with the Japanese military authorities, to give all possible protection and facilities to American citizens remaining in Nanking and to all persons connected with the American Embassy there.

With regard to the proposal for the establishment of a safety zone in Nanking, the views of the Japanese Government have already been expressed by the Japanese Consul General in Shanghai in a letter of December 4 addressed to the American Consul General at Shanghai, the contents of which the Foreign Office has the honor of assuming are now known to the American Embassy.

(Copy sent to the British Ambassador, Tokyo)

Enclosure No. 11 to despatch No. 270 of DEC 23 1927 from the Embassy at Tokyo.

The American Ambassador, Mr. Grew, with the Director of the American Bureau of the Foreign Office, Mr. Yoshizawa.

Conversation

December 14, 1937.

Subject: Sinking of the U.S.S. PANAY and three Standard Oil Company vessels.

At five o'clock this afternoon, Mr. Yoshizawa, Director of the American Bureau of the Foreign Office, called on me upon instruction from the Minister for Foreign Affairs and handed me a note with regard to the sinking of the U.S.S. PANAY and three Standard Oil Company vessels by Japanese naval aircraft on the Yangtze.

Japanese naval report on the disaster, the purport of which is that the disaster was not caused by deliberate intention to bomb American vessels but was due to the inability of the aviators to distinguish the nationality of the vessels bombed. I informed Yoshizawa that his explanation does not cover the fact that notwithstanding information in Japanese hands that foreign vessels were in the neighborhood of Nanking, bombing and shelling operations by both naval and military forces were carried out without any precautions taken against attack upon foreign vessels. I also pointed out that the bombing and shelling was carried out in the face of repeated assurances that measures had been taken to safeguard against attacks upon American nationals and property.

I also stated to Yoshizawa that I had just received instructions to present to the Minister for Foreign Affairs a note from the American Government. I added that although I appreciated the action of the Japanese Government in delivering to me its note, I would proceed with the instructions which had been given to me.

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, division NARS, Date 12-18-75

Enclosy No. 12 to despatch No. 270, of DEC 23 1937 from the Embassy at Tokyo.

The Minister for Foreign Affairs, Mr. Hirota, to the American Ambassador, Mr. Grew.

(Translation)

No. 159, American I.

Ministry of Foreign Affairs, Tokyo, December 14, 1937.

# Excellency:

Regarding the incident of the 12th December in which the United States gunboat Panay and three steamers belonging to the Standard Oil Company were sunk by the bombing of the Japanese naval aircraft on the Yangtze River at a point about twenty-six miles above Nanking, I had the honor, as soon as unofficial information of the incident was brought to my knowledge, to request Your Excellency to transmit to the Government of the United States the apologies of the Japanese Govern-From the reports subsequently received from our representatives in China, it has been established that the Japanese naval air force, acting upon information that the Chinese troops fleeing from Nanking were going up the river in steamers, took off to pursue them, and discovered such vessels at the above-mentioned point. Owing to poor visibility, however, the aircraft, although they descended to fairly low altitudes, were unable to discern any mark to show that any one of them was an American ship or man-of-war. Consequently the United States gunboat Panay and the vessels of the Standard Oil Company, being taken for Chinese vessels carrying the fleeing Chinese troops, were bombed and sunk.

While

While it is clear, in the light of the above circumstances, that the present incident was entirely due to a mistake, the Japanese Government regrets most profoundly that it has caused damages to the United States man-of-war and ships and casualties among those on board, and desires to present hereby sincere apologies. The Japanese Government will make indemnification for all the losses and will deal appropriately with those responsible for the incident. Furthermore, they have already issued strict orders to the authorities on the spot with a view to preventing the recurrence of a similar incident.

The Japanese Government in the fervent hope that the friendly relations between Japan and the United States will not be affected by this unfortunate affair has frankly stated as above their sincere attitude which I beg Your Excellency to make known to your Government.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Koki Hirota (Seal) Minister for Foreign Affairs.

His Excellency

Mr. Joseph Clark Grew,

Ambassador Extraordinary and Plenipotentiary of the United States of America,

Tokyo.

(Copy sent to the British Ambassador, Tokyo.)

Enclosure to 13 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

Conversation

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December 14, 1937.

The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

Subject: Sinking of the U.S.S. PANAY and three Standard Oil Company vessels.

After being detained all afternoon at a conference with the Prime Minister, the Minister for Foreign Affairs received me at the Foreign Office at 8.30 o'clock when I read to him and presented a signed note embodying the Department's text (No. 342, December 13, 8 p. m.). I pointed out orally that while the Japanese note delivered to me this afternoon (Embassy's 630, December 14, 6 p. m.) was responsive to some of the points set forth by my Government, it did not meet all of them as, for example, assurances as to the future safeguarding of American nationals, interests, and property in China from unlawful interference by any Japanese authorities or forces whatsoever and that I would therefore expect an answer. The Minister promised me a prompt reply. He added, "I wish to do everything in my power to maintain good relations with the United States."

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, August 10, NARS, Date 12-18-75

Enclosure N. 14 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The American Ambassador, Mr. Grew, to the Minister for Foreign Affairs, Mr. Hirota.

Tokyo, December 14, 1937.

river

No. 838.

Excellency:

I have the honor, by the direction of my Government, to address to Your Excellency the following note:

"The Government and people of the United States have been deeply shocked by the facts of the bombardment and sinking of the U.S.S. PANAY and the sinking or burning of the American steamers MEIPING, MEIAN, and MEISIAN by Japanese aircraft.

"The essential facts are that these American vessels were in the Yangtze River by uncontested and incontestable right; that they were flying the American flag; that they were engaged in their legitimate and appropriate business; that they were at the moment conveying American official and private personnel away from points where danger had developed; that they had several times changed their position, moving up river, in order to avoid danger; and that they were attacked by Japanese bombing planes. With regard to the attack a responsible Japanese naval officer at Shanghai has informed the Commander-in-Chief of the American Asiatic Fleet that the four vessels were proceeding up

His Excellency
Mr. Koki Hirota
His Imperial Japanese Majesty's
Minister for Foreign Affairs,
etc. etc. etc

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river; that Japanese planes endeavored to ascertain their nationality, flying at an altitude of 300 meters but were unable to distinguish the flags; that six Japanese bombing planes, and two Japanese bombing planes, in sequence, made attacks which resulted in the damaging of one of the American steamers, and the sinking of the U.S.S. PANAY and the other two steamers.

"Since the beginning of the present unfortunate hostilities between Japan and China, the Japanese Government and various Japanese authorities at various points have repeatedly assured the Government and authorities of the United States that it is the intention and purpose of the Japanese Government and the Japanese armed forces to respect fully the rights and interests of other Powers. On several occasions, however, acts of Japanese armed forces have violated the rights of the United States, have seriously endangered the lives of American nationals, and have destroyed American property. In several instances, the Japanese Government has admitted the facts, has expressed regrets, and has given assurances that every precaution will be taken against recurrence of such incidents. present case, acts of Japanese armed forces have taken place in complete disregard of American rights, have taken American life, and have destroyed American property both public and private.

"In these circumstances, the Government of the United States requests and expects of the Japanese Government a formally recorded expression of regret, an undertaking to make complete and comprehensive indemnifications, and an assurance

-3-

assurance that definite and specific steps have been taken which will ensure that hereafter American nationals, interests, and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or forces whatsoever.\*

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

JOSEPH C. GREW.

(Copy sent to the British Ambassador, Tokyo.)

Enclosure No. 15 to despatch No. 15 to despatch from the Embassy at Tokyo.

The British Embassy to the American Ambassador, Mr. Grew.

BRITISH EMBASSY,

TOKYO.

14th December, 1937.

WITH THE COMPLIMENTS

OF

HIS BRITANNIC MAJESTY'S EMBASSY.

His Excellency
The Honourable
Joseph Clark Grew,
Ambassador Extraordinary and
Plenipotentiary, for the
United States of America
at Tokyo.

(The British Ambassador, Sir Robert L. Craigie, to the Minister for Foreign Affairs, Mr. Hirota.)

# Immediate

14 December, 1937.

My dear Minister,

I sent you urgently this morning copies of further telegrams I had received in regard to the position at Wuhu, where British warships were fired upon on the 12th instant. From these telegrams I draw two deductions:

- (1) the order to fire on all ships moving on the Yangtse appears still to be in force, not-withstanding the deplorable incidents which occurred on the 12th instant.
- (2) the guns of the Japanese batteries are still trained point blank on His Majesty's Ship "Ladybird" and His Majesty's Ship "Bee".

As regards the first point, I can only say that this appears to me to disclose on the part of the responsible Japanese military authorities in China a regrettable disregard for the consequences of their action on the 12th instant.

In regard to point (2) I desire to enter an emphatic protest and to request that immediate instructions may be sent to the Japanese Commander at Wuhu to desist from this threatening and wholly unnecessary action.

His Excellency
Mr. Koki Hirota
H.I.J.M. Minister for Foreign Affairs.

As

-2-

As Your Excellency will be aware there are women and children on the ships concentrated above Nanking and this makes it all the more imperative that the most explicit instructions should be given to all the Japanese fighting services to respect foreign shipping on the River Yangtse. I should be grateful if I might be informed at the earliest possible moment whether this has been done.

Believe me,

My dear Minister
Yours very sincerely,

(sgd) R.L. CRAIGIE.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. Charles NARS, Date 12-18-75

Enclosure No. 16 to despatch No.2707 of DEC 23 1937 from the Empassy at Tokyo.

The Ministry of Foreign Affairs to the American Ambassador.

(Translation)

No. 160, American I

Department of Foreign Affairs Tokyo, December 15, 1937.

#### Memorandum

The Japanese Foreign Office has the honor to acknowledge the receipt of the American Embassy's memorandum of December 11 with regard to statements made by the Japanese Consul General at Shanghai on December 8 at a meeting of the interested consular representatives to consider developments arising out of the march on December 3 of Japanese military units through neutral areas of the International Settlement, and stating that the American Government, having taken note of the statements made on the part of the Japanese Consul General, is confident that the Japanese Government will put an end to apprehensions regarding future occurrences of a nature likely to lead to consequences disturbing to the preservation of order in the International Settlement. regard thereto, the Foreign Office has the honor to reply that the Japanese Government has of course no intention which /impair the administration or the authority of the Municipal Council, and to make the assurance that in the maintenance of peace and order in the International Settlement it is the constant policy of the Japanese Government to cooperate with the International Settlement authorities.

(Copy sent to the British Ambassador, Tokyo)

Enclosure No. 17 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The Director of the American Bureau, the Foreign Office, Mr. Yoshizawa, with the American First Secretary, Mr. McGurk.

Conversation

December 15, 1937.

I called on Mr. Yoshizawa at 6:45 p.m. today and handed him a copy of the pertinent part of the Department's telegram No. 345 of December 14, 11 p.m., stating that the copy was not a diplomatic document. Mr. Yoshizawa read carefully the portion of the Department's telegram. He then said "I will take this up immediately with the military authorities -- that is all I can say". I said that the Ambassador had instructed me to say that we must insist that the Japanese forces desist from operations against Hohsien or in the immediate vicinity until such time as the survivors had been completely evacuated and the American and British ships engaged in the rescue work had withdrawn to positions of safety.

I added that it would be deplorable if the situation should be given publicity and we wished sincerely to avoid it. Mr. Yoshizawa said he heartily agreed.

J.F.M.

Enclosure ). 18 to despatch No. 2707 dated DEC 23 1937 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

### Memorandum.

The American Embassy has received the following message sent by the American Ambassador at Hankow to the Commander-in-Chief of the U.S. Asiatic Fleet on board the U.S.S. AUGUSTA at Shanghai, dated December 13, 1937:

"Area covered by former British, Russian and German concession and present French Concession at Hankow and including Butterfield and Swire's property adjoining Customs House includes bulk of foreign owned and occupied property here. In this area consulates and Embassy staffs are now located. In river off this area are concentrated foreign naval vessels of British, American, French and Italian nationality and foreign flag river shipping. Recent events at Wuhu and Nanking have caused considerable apprehension as to safety of this area wherein are concentrated not only most of permanent residents but many foreign refugees from other parts of China. It would be difficult to shift population or shipping elsewhere. It would relieve present apprehension if assurances could be obtained from Japanese that area in question including river front immediately adjoining would be free of attack."

It is requested that the Foreign Office take appropriate action in support of the proposal of the American Ambassador at Hankow to insure the safety of the area, including the river front, mentioned.

Tokyo, December 15, 1937.

(Copy sent to British Ambassador, Tokyo)

Enclosure No. 19 to despatch No.2/U/ dated DEC 23 1937 from the Embassy at Tokyo.

The British Embassy to the American Ambassador, Mr. Grew .

BRITISH EMBASSY
TOKYO
16th December 1937

WITH THE COMPLIMENTS OF HIS BRITANNIC

MAJESTY'S EMBASSY.

(The British Ambassador, Sir R. L. Craigie, to the Minister for Foreign Affairs, Mr. Hirota)

BRITISH EMBASSY

TOKYO

No. 196.

16th December, 1937.

Your Excellency,

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I have the honour on instructions from His Majesty's Government in the United Kingdom to address Your Excellency on the subject of attacks made by Japanese aircraft and land forces on British warships and merchant shipping at Wuhu and near Nanking on 12th December. These incidents clearly raise grave issues.

- 2. At Wuhu a British tug which had conveyed from Nanking His Majesty's Consul, the British Military Attaché and the Flag-Captain to the British Rear Admiral, Yangtze, was attacked by Japanese machine-gun fire after transferring these officers to H.M.S. Ladybird. The latter proceeded to join the tug in order to protect her, when she observed a Japanese field gun battery firing on merchant ships concentrated above the Asiatic Petroleum Company's installation. Firing continued and was directed at H.M.S. Ladybird herself.
- 3. There were four direct hits on this vessel: one naval rating was killed, another was seriously wounded and there were several minor casualties including Flag-Captain. A direct hit was also seen to be sustained by the British merchant ship Suiwo. H.M.S. Bee then arrived on the scene

and

His Excellency,
Mr. Koki Hirota,
H.I.J.M. Minister for Foreign Affairs.

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and was also fired on by the shore battery. The Commander of H.M.S. Bee landed to protest and was informed by Colonel Hashimoto, the senior Japanese military officer then at Wuhu, that firing on warships was due to a mistake but that he had orders to fire on every ship on the river. At a later interview the same officer stated categorically that if any ships moved on the river they would be fired on and, despite protests, H.M.S. Bee and Ladybird after berthing remained covered by guns at point-blank range.

- 4. Near Hsia San-shan above Nanking where British merchant ships were concentrated in a part of the river previously designated by the Japanese Commander-in-Chief as a safety-zone, three separate bombing attacks were made by Japanese aircraft on them and on H.M. Ships Cricket and Scarab which were with them.
- 5. His Majesty's Government have now been glad to receive Your Excellency's note of the 14th December offering the profound apology of the Imperial Japanese Government for the attacks on His Majesty's Ships, stating that measures were immediately taken to prevent the recurrence of such incidents and adding that they will deal suitably with those responsible and pay the necessary compensation.
- 6. His Majesty's Government observe that Your Excellency's note makes no mention of the attacks on British merchant vessels and I am instructed to request that an assurance may be given that all that is said in that note applies equally to these attacks.
- 7. His Majesty's Government take particular note of the statement that those responsible will be suitably dealt with.

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with. Adequate punishment of those responsible for the particular attacks under discussion seems indeed to His Majesty's Government to be the only method by which further outrages can be prevented.

His Majesty's Government cannot but recall the previous incidents in which the Japanese Government have expressed regret for attacks made on British nationals and property and have given assurances that adequate steps had been taken to prevent any repetition. They call to mind the attack made on His Majesty's Ambassador to China while travelling by road from Nanking to Shanghai, the subsequent attack on motorcars conveying British officials on a similar journey, the attacks on British civilians and military posts on the defence perimeter at Shanghai, as well as other incidents, and the repeated assurances of the Japanese Government of their intention fully to respect the interests of third Powers in the present conflict with China. It is clear that the steps hitherto taken by the Japanese Government to prevent such attacks have so far failed in this purpose and His Majesty's Government must now ask to be informed that measures have actually been taken of a character which will put a definite stop to the incidents of which they complain.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

(Signed) R. L. CRAIGIE.

Enclosure 20 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The British First Secretary, Mr. Clarke, to the American First Secretary, Mr. McGurk.

BRITISH EMBASSY TOKYO

16th December 1937.

Dear Jo,

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Here are the telegrams we had this morning about the rescue party that went out after the PANAY survivors.

Many thanks for your telegram.

Yours,

(signed) Ashley Clarke.

(The British Chargé d'Affaires in China to the British Embassy, Tokyo)

# SHANGHAI (China tour)

11.25 p.m.

15th December

1937.

7.20 a.m.

15th December

No: 324 (en clair)

Addressed to Tokyo telegram No: 324 of 14th December following is repetition of telegram 2233/13 from Chief of Staff in "Bee" to Vice-Admiral Yangtse Begins:

My 1823.

Japanese River Gunboat "Hodzu" arrives darkened from at 7.30 and anchored just above me she has been sent to rescue officers and crew of "Panay" and has orders to offer them passage to Shanghai. After being informed of what has occurred here Commander Ueda proposed to land at once on left bank and make contact. I have dissuaded him from this in view of the certain effect of a Japanese landing on the Chinese locals from whom I hope to gain information of the whereabouts of the "Panay's" survivors. I am leaving with a search party at dawn to-morrow, Tuesday. "Hodzu" is remaining here until contact with "Panay's" Commanding Officer. Commander Ueda is being provided with written statement of occurrences here and at Wuhu and appears helpful and anxious to assist with boats and medical if necessary. Ends. Howe.

(The British Chargé d'Affaires in China to the British Embassy, Tokyo)

SHANGHAI (China tour)

No. 332 (en clair)

11.25 p.m. 15th December

1937.

7.20 a.m. 16th December

Addressed to Tokyo telegram No: 332 of 15th December, 1937.

Following is a repetition of unnumbered telegram from Chief of Staff in "Bee" to Vice-Admiral, Yangtse 1018/15 Begins:

The one Japanese motor landing craft (I saw no more) that so nearly caused a tragedy to our expedition yesterday afternoon was flying a white triangular flag sized three feet by three feet with a red Geneva cross on a staff about nine foot above gunwhale of boat. This boat was allowed to approach to within a few yards of the pontoon where I was about to land when the Chinese seeing that it was fully armed opened fire on it. Fire was returned from Japanese boat and I and other witnesses can give evidence that a machine gun was fired from the boat. Machine gun was not seen by Flag Captain or Lieutenant Cox when they rounded up this craft but saw about eight to twelve men armed with rifles. Flag Captain states these men were wearing red cross brassards. This boat was taken alongside the Japanese Gunboat "Hodzu" the officers of which can confirm my report. One point is that when I displayed a white flag with a red cross the Chinese militia decided that it was another Japanese trick and fired on all boats as they came up the creek. As Japanese Flagship had started I did not have an opportunity of personally protesting to Admiral Kondo but Mr. Okamura of Japanese Embassy was aboard "Bee" just before "Ataka" went down river and I have shown him this signal and he states that from what he saw on board "Ataka" this is correct. Ends. HOWE.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, Sustem NARS, Date 12-18-75

(The British Charge d'Affaires in China to the British Embassy, Tokyo).

# SHANGHAI (China tour)

11.25 p.m. 15th December

1937

No: 330 (en clair)

7.20 a.m. 16th December

Addressed to Tokyo, telegram No: 330 of 15th December.
Following is repetition of telegram 1800/14
from H.M.S. "Bee" to Vice-Admiral Yangtse. Begins:
IMMEDIATE.

My 955.

Rescue party is at Hohsien up creek. Am off creek mouth. "Oahu" and "Hodzu" Japanese Navy have refrained from taking part in rescue at our particular request as Chinese in the vicinity are armed. Despite these precautions Chief of Staff reports by portable wireless that several Japanese military landing craft are in the vicinity of our boats and in last half hour these have been heavily engaged with local Chinese. One Japanese military boat has been fetched out of creek by my boat but these craft have no wireless-telegraphy so communication with the others is impossible. "Ladybird" has just arrived and am sending her sampan with Japanese naval officer on board to attempt to withdraw Japanese military landing craft. Ends.

HOWE.

Enclosure No. 21 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

Mr. Inagaki of the American Bureau, the Foreign Office, with the American First Secretary, Mr. McGurk.

Telephone Conversation

December 16, 1937.

Mr. Inagaki of the American Bureau of the Foreign Office telephoned at 4:00 p.m. today, and, referring to Mr. Dooman's conversation with Mr. Yoshizawa in the afternoon of the 14th regarding the entry of Japanese Marines into the sector guarded by the United States Marines in Shanghai, stated that on the 13th the Japanese naval authorities had decided, as a voluntary measure, to postpone the entry of Japanese Marines into the sector guarded by the United States Marines. Mr. Inagaki stated that the foregoing had been communicated by the Japanese Consul General in Shanghai to Consul General Gauss.

J.F.M.

Enclosure No. 22 to despatch No.2707 of DEC 23 1937 from the Embassy at Tokyo.

Conversation

December 17, 1937

The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

Subject: Sinking of the U.S.S. PANAY

I called at noon today on the Minister for Foreign Affairs at the Foreign Office and after oral representations I left with him an aide-mémoire precisely and fully embodying the contents of Department's telegram No. 350, December 16, 1 p. m. I talked to the Minister in the strongest possible way regarding the seriousness of the facts presented which beyond peradventure disprove the allegation that a mistake had been made in bombing the U.S.S. PANAY and the seriousness with which my Government regarded this new evidence. I pointed out that according to this evidence Japanese naval and military forces were both clearly guilty of deliberate attack carried out from points from which there could be no question whatsoever as to the visibility of the colors flying from the American ship. I read the aide-mémoire textually to the Minister informing him that I would later communicate such further facts as might come to our attention.

The Minister said that he was totally unaware of the facts which I had presented and that he would immediately take up the matter with the naval and military authorities. He was visibly upset by the facts communicated and the gravity of the manner in which I presented them.

Enclosure No. 23 to despatch No. 2707 wated DEC 23 1937 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF ATTRICA

#### Aide-mémoire.

The official reports which are now reaching the Government of the United States in regard to the attack upon the U.S.S. PANAY are of a character greatly adding to the seriousness of the reports on which the Government of the United States based its communication to the Japanese Government of December 14. These reports state that while the survivors were escaping from the sinking PANAY Japanese airplanes dived and machine-gunned the boats at extremely low altitudes; that before the PANAY sank, two Japanese Army motor-boats approached the ship, machine-gunned it, boarded the ship and stayed for five minutes although colors at the gaff were flying and easily discernible; and that, on reaching shore, the survivors hid the wounded and scattered as planes repeatedly flew over apparently searching to exterminate all. These reports give very definite indication of deliberateness of intent on the part of the Japanese armed forces which made the attack on the U.S.S. PANAY and American merchant ships. The Government of the United States is still awaiting the receipt of further and most detailed official reports. Meanwhile the Government of the United States brings to the notice of the Japanese Government knowledge of the information which the Government of the United States is now receiving and of the seriousness of the character of that information.

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The Government of the United States refers to the statement contained in the note of December 14 from the Minister for Foreign Affairs to the American Ambassador at Tokyo that the Japanese Government "will deal appropriately with those responsible for the incident" and states that present information raises still more acutely that question. This information now raises more acutely the question of the character of the specific steps which have been taken to "ensure that hereafter American nationals, interests, and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or any other forces whatsoever".

Tokyo, December 17, 1937.

(Copy sent to British Ambassador, Tokyo).

Enclosure No. 24 to despatch No. 2007 of DEC 23 1937 from the Embassy at Tokyo.

Conversation

December 17, 1937.

The American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Hirota.

Subject: Evacuation of Americans and other foreign nationals from Hankow to Canton or Hong Kong.

I have today brought to the direct attention of the Minister for Foreign Affairs the plan to send a special train early next week from Hankow to Canton or Hong Kong carrying Americans and other foreign nationals and I asked that definite steps be taken to ensure their safety. The Minister promised me that such steps would be taken immediately.

J.C.G.

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Enclosure No. 25 to despatch No. 2707 of DEC 23 1937 from the American Embassy, Tokyo.

The American Ambassador, Mr. Grew, to the Minister for Foreign Affairs, Mr. Hirota.

## Pro memoria

Arrangements are being made for a special train to convey American and other foreign nationals, mostly women and children, from Hankow to Canton or Hong Kong. The train is to leave early next week. The entire train will be occupied by foreigners and Chinese attendants, and will bear American, British, and other national flags on the roof. It is requested that the Japanese Government grant assurances of safety in respect of this train and that it direct the appropriate Japanese military and neval authorities to refrain from molesting it in any way.

Further details with regard to the train will be communicated to the Foreign Office when available.

Tokyo, December 17, 1937.

(Copy sent to the British Ambassador, Tokyo.)

Enclosure No. 26 to despatch No. 2707 offec 23 1937 from the American Embassy, Tokyo.

The British  $\mathbb{B}_{m}\mathsf{bassy}$  to the American Counselor, Mr. Dooman.

BRITISH EMBASSY, TOKYO.

17 Dec. 1937.

Note left at Ministry of Foreign Affairs on 16 Dec.

WITH THE COMPLIMENTS

OTF

HIS BRITANNIC MAJESTY'S EMBASSY.

Mr. E. H. Dooman.

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(The British Embassy to the Ministry of Foreign Affairs.)

The British Embassy earnestly request that urgent instructions may be sent to the Japanese Military authorities to desist from all operations at Hohsien until all survivors from the U.S.S. "Panay", and the American and British vessels connected with their evacuation, are out of the danger zone.

British Embassy, Tokyo 16th December, 1937.

Enclosure No. 21 to despatch No. 2707 of from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF AMERICA

## Memorandum

The American Embassy is informed that a party of foreign nationals will proceed to Hong Kong by a special train which will leave Hankow at 10 a.m., December 23; that the time table, subject to interruption, will be the same as that of the previous train which left Hankow on December 10; and that its destination will be Hong Kong.

The train will consist of fourteen cars conveying approximately three hundred foreigners and a few civilian Chinese. The train will have American and other national flags on the roofs of the cars.

The American Embassy requests that the foregoing information be conveyed to the appropriate authorities to the end that this train may proceed upon its journey without molestation.

December 21, 1937.

Enclosure 3. 28 to despatch No. 2707 dated DEC 23 1937 from the Embassy at Tokyo.

The British First Secretary, Mr. H. Ashley Clarke, to the American Second Secretary, Mr. Crocker.

BRITISH MUBASSY

TOKYO

21st December 1937.

Dear Ned,

This is the provisional reply to our note of 16th December of which I spoke to you yesterday.

Yours,

Ashley.

(The Minister for Foreign Affairs, Mr. Hirota, to the British Ambassador, Sir Robert L. Craigie).

Translation

17th December, 1937

No. 230

Confidential

Urgent

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note No. 196 of the 16th December regarding the incident of the attack made by the Japanese Forces on British Men-of-War and Merchant Vessels in the vicinity of Wuhu and Nanking on the 12th December.

In my Note Confidential No. 227 of the 14th December, I expressed the profound apology of the Imperial Japanese Government for this incident and informed Your Excellency that the necessary measures to prevent the recurrence of incidents of this nature had immediately been taken. I further stated that those responsible would be dealt with appropriately and that the necessary indemnification would be made.

The assurances given by the Imperial Japanese Government with regard to H.M.Ships "Ladybird" "Bee", "Cricket" and "Scarab" of course are equally applicable to the British Merchant Vessels which were attacked in similar circumstances on the 12th December.

In sending to Your Excellency this provisional reply, I avail, etc.,

(Sgd.) Koki Hirota (L.S.)

H.I.J.M.'s Minister for Foreign Affairs

His Excellency,

H.B.M's Ambassador,

etc., etc., etc.

Enclosure No. 29 to despatch No. 2707 of DEC 23 1937 from the Embassy at Tokyo.

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE UNITED STATES OF AMERICA

#### Memorandum

The American Embassy refers to its memorandum of December 21, 1937 relating to a special train which will leave Hankow at 10 a.m., December 23, for Hong Kong.

The Embassy is now informed that plans are being made to run a second special train from Hankow to Hong Kong starting December 29 or December 30 to convey American and other foreign nationals consisting of men, women, and children, chiefly those now at Kuling and Kikungshan.

The American Embassy requests that the foregoing information be conveyed to the appropriate authorities with a view to obtaining assurances for the safety of this train.

Tokyo, December 22, 1937.

DEPARTMENT C

# DIVISION OF FAR EASTERN AFFAIRS

Jan. 14, 1938

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Tokyo's 2708, Dec.23,1937 - "Recommendations Made and Steps Taken by the American Embassy and Steps Taken by the British Embassy in Tokyo With Respect to the Sino-Japanese Conflict"

This despatch need not be read. Its detailed records and memoranda are useful for the Tiles, out the matters with which they deal have already been reported by telegraph.

Jmg



## THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

AMERICAN EMBASSY

Tokyo, December 23, 1937.

No. 2708.

RECOMMENDATIONS MADE AND STEPS TAKEN BY THE AMERICAN EMBASSY AND STEPS TAKEN BY THE BRITISH EMBASSY IN TOKYO WITH RESPECT TO THE SINO-JAPANESE SUBJECT:

CONFLICT.

Charle 1 In U.S A Por 蓋 EAST

The Secretary of State,

Washington.

Sir:

The Honorable

793.9411839 With reference to my despatch No. 2690 of December 10,

1937, I have the honor to enclose outlines prepared by a 1/2

member of my staff on the following subjects:

- Recommendations made and steps taken by the American Embassy in Tokyo with respect to the Sino-Japanese conflict from December 10 to December 21, 1937, inclusive.
- Steps taken by the British Embassy in Tokyo II. with respect to the Sino-Japanese conflict from December 9 to December 21, 1937, inclusive (so far as known to this Embassy).

Respectfully

Joseph C. Grew.

Enclosures: As listed.

710 GDA:C

CHILL

Enclosure N- 1 to despatch No. 2708 da. 1 December 23, 1937, from the Embassy at Tokyo.

#### STRICTLY CONFIDENTIAL

SECTION I -- RECOMMENDATIONS MADE AND STEPS TAKEN BY THE AMERICAN EMBASSY IN TOKYO WITH RESPECT TO THE SINO-JAPANESE CONFLICT FROM DECEMBER 10 TO DECEMBER 21, 1937, INCLUSIVE.

In response to a telegraphic request received from the Embassy at Nanking, on December 10 the Embassy transmitted to the Foreign Office a list of the American citizens, including persons connected with the Embassy in Nanking, who planned to remain in Nanking and requested that appropriate protection and facilities be given to these persons in case of need. (Telegram from the Embassy at Nanking, No. 1019, December 9, and Embassy's telegram No. 611, December 10, 1937).

On December 10 the Embassy was informed through the Consulate General at Shanghai of the contents of Nanking's telegram dated December 10, which set forth the International Committee's propositions that the walled city of Nanking be immune from attack by Japanese forces and that a truce of three days be declared by the Japanese and Chinese forces in the vicinity of Nanking. In view of the urgency of this matter, on December 10 the Embassy addressed to the Foreign Office without comment a memorandum which set forth the propositions of the International Committee. In sending its memorandum, the Embassy explained orally that it had received no instructions in the matter and had acted informally and only as a convenient channel of communication. (Telegram to the Department from the Embassy at Nanking No. 1026, December 10, and the Embassy's telegram No. 613 of December 10, 1937).

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In reply to its representations of November 19 concerning the bombing by Japanese airplanes on November 12 of the American Church Mission at Wusih, on December 10 the Embassy received from the Foreign Office a note dated December 6 to the effect that the incident was wholly attributable to a mistake due to the limited range of vision resulting from cloudy and heavily overcast weather; that the Japanese Government expressed regret and would do all in its power to prevent the recurrence of such incidents; and that the Japanese Government was prepared to give proper consideration with regard to the losses and damage inflicted on the American property in question. (Embassy's telegrams No. 552, November 19, and No. 612, December 10, 1937).

Acting under the Department's instructions, on December 11 the Embassy approached the Foreign Office and, with reference to previous representations made in connection with the march of Japanese troops through the International Settlement at Shanghai, expressed the confident hope that the statements made by the Japanese Consul General on December 8 and the attitude of the Japanese authorities in Shanghai would put an end to apprehensions regarding future occurrences of a nature likely to lead to consequences disturbing to the preservation of order in the International Settlement. On December 21 the Embassy received the Foreign Office's reply which was to the effect that the Japanese Government had "of course" no intention which would impair the administration or the authority of the Municipal Council and that in the maintenance of peace and

order

order in the International Settlement it was the constant policy of the Japanese Government to cooperate with the International Settlement authorities. (Telegram to the Department from the Consulate General at Shanghai No. 1112, December 8, the Department's telegram No. 337, December 10, and the Embassy's telegrams No. 616, December 11, 1937, and 664, December 21, 1937).

On the basis of telegram No. 1137 of December 12 from the Consulate General at Shanghai (repeated to Tokyo), the Embassy approached the Foreign Office on December 14 and referred to representations made by Mr. Gauss to the Japanese Consul General in Shanghai regarding the inadvisability of sending detachments of Japanese troops into the International Settlement and neutral areas to guard Japanese property. In addition, the Embassy called attention to the conditions of disorder prevailing in the areas of the International Settlement which were being guarded by the Japanese forces and to the fact that houses owned by Americans and others were being looted, and advanced the argument that if there were available Japanese troops to guard Japanese property in the neutral areas, where orderly conditions prevailed, they might be used to better advantage in the guarding of the Japanese areas. The Foreign Office replied that the Embassy's statements would be taken into consideration in formulating the instructions sent by the Foreign Office to the Japanese Consul General in Shanghai. (Embassy's telegram No. 629, December 14, 1937).

In accordance with the Department's telegraphic instruction No. 339 of December 12, which had reference to a telegram from the Consulate General at Shanghai No. 1120 of December 9, the Embassy made renewed representations on the question of the Chinese customs at Shanghai, again urging on the Foreign Office the importance of there being prior consultation between the representatives at Shanghai of the interested Governments in the formulation of any plan for changes in the personnel of the customs service or for depositing customs revenues. The Embassy pointed out in urgent terms that only by such consultation could the interests of the various concerned Governments be safeguarded (telegram to the Department from the Consulate General at Shanghai, No. 1122, December 9, Department's telegram No. 339, December 12, and Embassy's telegram No. 632, December 14, 1937).

On the evening of December 16 the Embassy heard by telegram from the Embassy at Hankow that arrangements were being made for a special train to convey foreigners, mostly women and children, to Canton or Hong Kong during the early part of the week of December 19-25, and that the whole train would be occupied by foreigners and Chinese attendants and would bear American, British, and other national flags on the roof. The following day the Ambassador brought this plan to the direct attention of the Minister for Foreign Affairs and asked that definite steps be taken to ensure the safety of the foreigners on board the train. Mr. Hirota promised that such steps would be taken immediately. (Telegram from the Embassy at Hankow dated December 15, 4 p.m. and the Embassy's telegram No. 648, December 17, 1937).

On the basis of telegrams received on the morning of December 13 from the American Embassies in Nanking and Hankow with regard to the jeopardizing by Japanese military forces of the U.S.S. PANAY and American refugees on Standard

Oil Company ships on the Yangtze River, the Ambassador called on his own initiative on the Minister for Foreign Affairs on the morning of December 13 and with reference to previous representations (Embassy's telegram No. 587, December 2) requested that he take further steps to restrain Japanese military forces from continuing to expose American lives and property to the serious risks arising from the dropping of shells in the vicinity of these ships. The Minister's only comment was that the Japanese military authorities had already warned foreign nationals to evacuate the area of hostilities around Nanking. The Ambassador thereupon pointed out the deplorable and serious effect which would be caused in the United States if the shells falling in the vicinity of these vessels should cause injury to American citizens. (Telegrams to the Department from the Embassy at Nanking No. 1040, December 12 and from the Embassy at Peiping dated December 12, midnight, and Embassy's telegram No. 619, December 13, 1937).

On the same morning the Minister for Foreign Affairs called on the Ambassador at the Chancery and informed him of the receipt of a Domei report from Shanghai to the effect that in following fleeing remnants of the Chinese Army, Japanese planes had on December 12 bombed 3 Standard Oil Company vessels and had sunk the U.S.S. PANAY on the Yangtze River above Nanking. Mr. Hirota stated that he had as yet received no official report concerning the incident but that he had come to the Ambassador immediately to express to the American Government the profound apology of the Japanese Government for the accident, for which Admiral Hasegawa had accepted full responsibility. The Minister added:

"I cannot possibly express how badly we feel about this." (Embassy's telegram No. 622, December 13, 1937).

In its telegram to the Embassy No. 340 of December 12, the Department stated that the following information had been received from Hankow: American and British naval and merchant vessels on the Yangtze River had for two days been repeatedly fired on and bombed; a Japanese source was reported to have stated at Wuhu that the Japanese military forces had orders to fire on all ships on the Yangtze; on December 12 the U.S.S. PANAY and three Standard Oil Company steamers had been reportedly bombed and sunk at a point 27 miles above Nanking; and the survivors from these ships, including Embassy personnel, naval personnel, and refugees, were at that time at Hohsien. Pursuant to the Department's instructions, the Ambassador immediately informed the Minister for Foreign Affairs of these reports, requested that the Japanese at once take appropriate action, and impressed upon the Minister the gravity of the situation and the imperative need to take every precaution against further attacks on American vessels or personnel. (Department's telegram No. 340, December 12, and Embassy's telegram No. 625, December 13, 1937).

Upon instructions from Mr. Hirota, on the afternoon of December 14 Mr. Yoshizawa, Chief of the American Affairs
Bureau of the Foreign Office, called on the Ambassador and delivered a note from Mr. Hirota to the following effect:
In pursuing Chinese troops who were fleeing up the Yangtze in steamers, Japanese naval airplanes had through a mistake arising from low visibility bombed and sunk the United States Gunboat PANAY and three vessels of the Standard Cil Company; the Japanese Government regretted most profoundly that it had caused

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caused damages to the American ships and casualties among those on board and desired to present sincere apologies; the Japanese Government would make indemnifications for all the losses and would deal appropriately with those responsible for the incident; and the Japanese Government had already issued strict orders to the authorities on the spot with a view to preventing the recurrence of a similar incident. Mr. Hirota's note ended with the following sentence: "The Japanese Government in the fervent hope that the friendly relations between Japan and the United States will not be affected by this unfortunate affair, have frankly stated as above their sincere attitude which I beg Your Excellency to make known to your Government". After delivering Mr. Hirota's note to Mr. Grew, Mr. Yoshizawa read portions of the official Japanese naval report on the disaster, the purport of which was that the disaster had been due to the inability of the aviators to distinguish the nationality of the vessels bombed. In his reply to Mr. Yoshizawa, the Ambassador made the following observations: that notwithstanding information in Japanese hands that foreign vessels were in the neighborhood of Nanking, bombing and shelling operations by both military and naval forces of the Japanese had been carried out without any precautions being taken against attack upon foreign vessels; that the bombing and shelling had been carried out in the face of repeated assurances that measures had been taken to safeguard against attacks upon American nationals and property; and that although he (Mr. Grew) appreciated the Japanese Government's action in delivering its note, he would proceed with instructions received from the American Government to present a note of protest to the Minister for Foreign Affairs. (Embassy's telegram No. 630, December 4, 1937).

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On the evening of the same day the Ambassador called on the Minister for Foreign Affairs and read and delivered to him the following signed note embodying the Department's telegraphic instructions dated December 13, 8 p.m.:

"I have the honor, by the direction of my Government, to address to Your Excellency the following note:

"The Government and people of the United States have been deeply shocked by the facts of the bombard-ment and sinking of the U.S.S. PANAY and the sinking or burning of the American steamers MEIPING, MEIAN, and MEISIAN by Japanese aircraft.

"The essential facts are that these American vessels were in the Yangtze River by uncontested and incontestible right; that they were flying the American flag; that they were engaged in their legitimate and appropriate business; that they were at the moment conveying American official and private personnel away from points where danger had developed; that they had several times changed their position, moving up river, in order to avoid danger; and that they were attacked by Japanese bombing planes. With regard to the attack a responsible Japanese naval officer at Shanghai has informed the Commander-in-Chief of the American Asiatic Fleet that the four vessels were proceeding up river; that Japanese planes endeavored to ascertain their nationality, flying at an altitude of 300 meters, but were unable to distinguish the flags; that six Japanese bombing planes, and two Japanese bombing planes, in sequence, made attacks which resulted in the damaging of one of the American steamers, and the sinking of the U.S.S. PANAY and the other two steamers.

"Since the beginning of the present unfortunate hostilities between Japan and China, the Japanese Government and various Japanese authorities at various points have repeatedly assured the Government and authorities of the United States that it is the intention and purpose of the Japanese Government and the Japanese armed forces to respect fully the rights and interests of other Powers. On several occasions, however, acts of Japanese armed forces have violated the rights of the United States, have seriously endangered the lives of American nationals, and have destroyed American property. In several instances, the Japanese Government has admitted the facts, has expressed regrets, and has given assurances that every precaution will be taken against recurrence of such incidents. In the present case, acts of Japanese armed forces have taken place in complete disregard of American rights, have taken American life, and have destroyed American property both public and private.

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"In these circumstances, the Government of the United States requests and expects of the Japanese Government a formally recorded expression of regret, an undertaking to make complete and comprehensive indemnifications, and an assurance that definite and specific steps have been taken which will ensure that hereafter American nationals, interests and property in China will not be subjected to attackby Japanese armed forces or unlawful interference by any Japanese authorities or forces whatsoever." (Department's telegram No. 342, December 13, and Embassy's telegram No. 631, of December 14, 1937).

By a telegram dated December 14, 11 p.m., the Ambassador at Nanking reported to the Department that arrangements were proceeding for the evacuation of the survivors of the PANAY from Hohsien to H.M.S. BEE but that such rescue work was being impeded by Japanese military operations against the Chinese in the vicinity of Hohsien. Pursuant to the Department's instructions and after consultation with the British Ambassador, Mr. Grew made strong oral representations to the Japanese Foreign Office on the evening of December 15, insisting that Japanese military forces desist from operations against or in the immediate vicinity of Hohsien until the survivors of the U.S.S. PANAY, together with American and British vessels connected with the evacuation of the survivors, had been removed and had proceeded to a distance affording comparative safety. (Embassy's telegram No. 641, December 15, 1937).

In pursuance of the Department's instructions, the Ambassador called on the Minister for Foreign Affairs at noon on December 17 and left with him the following aidemémoire:

"The official reports which are now reaching the Government of the United States in regard to the attack upon the U.S.S. PANAY are of a character greatly adding to the seriousness of the reports on which the Government of the United States based

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its communication to the Japanese Government of December 14. These reports state that while the survivors were escaping from the sinking PANAY Japanese airplanes dived and machine gunned the boats at extremely low altitudes; that before the PANAY sank, two Japanese Army motor-boats approached the ship, machine gunned it, boarded the ship and stayed for five minutes, although colors at the gaff were flying and easily discernible; and that, on reaching shore, the survivors hid the wounded and scattered as planes repeatedly flew over apparently searching to exterminate all. These reports give very definite indication of deliberateness of intent on the part of the Japanese armed forces which made the attack on the U.S.S. PANAY and American merchant ships. The Government of the United States is still awaiting the receipt of further and most detailed official reports. Meanwhile the Government of the United States brings to the notice of the Japanese Government knowledge of the information which the Government of the United States is now receiving and of the seriousness of the character of that information.

"The Government of the United States refers to the statement contained in the note of December 14 from the Minister for Foreign Affairs to the American Ambassador at Tokyo that the Japanese Government "will deal appropriately with those responsible for the incident" and states that present information raises still more acutely that question. This information now raises more acutely the question of the character of the specific steps which have been taken to "ensure that hereafter American nationals, interests, and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or any other forces whatsoever."

Mr. Grew talked to Mr. Hirota in the strongest possible way concerning the seriousness of the facts presented, which beyond peradventure disproved the allegation that a mistake had been made in bombing the PANAY. After emphasizing the seriousness with which the American Government regarded this new evidence, the Ambassador pointed out that according to this evidence Japanese naval and military forces were both clearly guilty of deliberate attack carried out from points from which there could be no question whatsoever as to the visibility of the colors flying from the American ship.

The

The Minister for Foreign Affairs stated that he was totally unaware of the facts which had been presented and that he would immediately take up the matter with the naval and military authorities. Mr. Hirota appeared to be upset by the facts communicated to him and by the gravity of the manner in which Mr. Grew presented these facts. (Department's telegram No. 350, December 16, and Embassy's telegram No. 647, December 17, 1937).

On the morning of December 17 the Senior Aide to the Navy Minister informed the Embassy's Naval Attaché that "Reuter's despatch" to the effect that a Japanese launch had machine gunned the survivors on the PANAY and that the crew of the launch had boarded the American ship before it sank could hardly be the truth, because it was not until Monday (December 13) that Japanese "Navy" vessels were able to reach even as far as Nanking. (Embassy's telegram No. 652, December 17, 1937). On the afternoon of the same day the Senior Aide to the Navy Minister called again on the Naval Attaché and advanced various arguments in an attempt to disprove the attack on the PANAY by the machine gun fire of a Japanese motor boat. Captain Kondo expressed the opinion that "this story was a deliberate attempt by Mr. McDonald of the LONDON TIMES to excite American public opinion." (Embassy's telegram No. 653, December 17, 1937). The Senior Aide to the Navy Minister called again on the Naval Attaché on the night of December 19 and told him that, according to a report received from Rear Admiral Eijiro Kondo, Commander of the Japanese Yangtze Patrol, a Japanese Army launch had fired on the PANAY, mistaking it for a Chinese steamer. (Embassy's telegram No. 662, December 20, 1937).

On December 18 the Embassy's Military Attaché called on an official of the War Office, to whom he gave an account of the circumstances surrounding the bombing and subsequent machine gunning of the U.S.S. PANAY as recorded by one who was on board the PANAY at the time of these events, namely, Mr. Atcheson, Second Secretary of the American Embassy at Nanking. The War Office official (Secretary to the War Minister) appeared to be considerably concerned over the Military Attache's statements and said that the War Office had sent Colonel Nishi, Chief of the American Section of the General Staff, to Shanghai to investigate the report that Japanese Army launches had machine gunned the PANAY. According to the Military Attaché's informant, this step had been taken because of the War Ministry's anxiety over the matter and because it was desired that an investigation be made by a man removed from the scene of action whose judgment would not be clouded by emotion. (Embassy's telegram No. 655, December 18, 1937).

On the morning of December 19 the Embassy asked Mr. Yoshizawa, Chief of the American Affairs Bureau of the Foreign Office, when replies to the Embassy's signed note of December 14 and aide-mémoire of December 17 would be made. Mr. Yoshizawa replied that since the charge of Japanese machine gunning of the PANAY had been made, the Japanese Government must first ascertain the facts. He confirmed the statement made to the Military Attaché to the effect that an official of the General Staff had left for Shanghai to make an investigation of the affair.

(Embassy's telegram No. 657, December 19, 1937).

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustem NARS, Date 12-18-75

Enclosure N 2 to despatch No. 2708 dated December 23, 1937, from the Embassy at Tokyo.

#### STRICTLY CONFIDENTIAL

SECTION II -- STEPS TAKEN BY THE BRITISH EMBASSY IN TOKYO
WITH RESPECT TO THE SINO-JAPANESE CONFLICT
FROM DECEMBER 9, 1937 TO DECEMBER 21, 1937,
INCLUSIVE (SO FAR AS KNOWN TO THE AMERICAN
EMBASSY).

According to information furnished by the British Embassy on December 9, on the previous day the British Ambassador called on the Minister for Foreign Affairs and, "speaking informally in advance of instructions from London, " expressed confidence that the British Government would take a serious view of the attack reported to have been made recently by Japanese airplanes on two British merchant ships on the Yangtze River. Sir Robert Craigie referred also to the complete disregard of Japanese assurances concerning safeguarding the lives and property of non-combatants. On December 9 the British Ambassador sent a note to the Foreign Office stating that his representations had been approved by the British Government and that he reserved the right to claim compensation (telegram from the Embassy at Hankow, No. 19, December 11, and Embassy's telegram No. 609, December 9, 1937).

The British Ambassador left at the Foreign Office on December 9 a <u>pro memoria</u> to the following effect: it was clear that the Municipal Police of Shanghai had taken all the precautions humanly possible during the march of Japanese troops through the International Settlement on December 3; considering the provocation offered by this march, it was surprising that there had been no further incidents; the unrestrained interference of the Japanese military authorities was likely to destroy the Municipal Administration and

the authority which it exerted for the preservation of law and order in the Settlement; and by such action the Japanese military authorities would gain nothing and would only succeed in producing chaos in this thickly populated area to the great danger of the many valuable foreign interests, including Japanese interests. (Embassy's telegram No. 589, December 3, and No. 615, December 10, 1937).

The British Embassy received reports that the British naval vessels LADYBIRD and BEE, as well as British merchant vessels, all in the vicinity of Wuhu on the Yangtze River, had on December 12 been attacked by Japanese machine guns and field pieces; that the LADYBIRD had suffered four direct hits, with one seaman killed, another seaman seriously wounded, and several men receiving minor injuries, including the Flag Captain; that the BEE had been fired upon but with no damage resulting; and that the Chief of Staff, on board the BEE, had protested strongly to Colonel Hashimoto, temporarily senior Japanese military officer at Wuhu, who had "made futile excuses but admitted that firing at warships was his mistake and that the Japanese had orders to fire at every ship on the River". In protesting personally in the most emphatic manner to the Minister for Foreign Affairs on December 13 against these attacks, the British Ambassador suggested "that a probable explanation was contained in the admission of Colonel Hashimoto that he had received instructions to fire at every ship on the Yangtze, which meant either that the assurances of the Japanese Government that they would protect non-combatants could not be relied upon, or else that the military authorities in China were disregarding

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disregarding their instructions." Sir Robert Craigie added that "British public opinion was bound to take a most serious view of this incident" and urged that the Japanese Government should make a suitable apology as soon as possible. Mr. Hirota called in person on Sir Robert Craigie on the afternoon of December 14 and expressed apology and regrets on behalf of the Japanese Government. (Embassy's telegram No. 626, December 14, 1937).

On December 14 the British Ambassador addressed to the Minister for Foreign Affairs a letter to the effect that, judging from telegrams received by him concerning British warships in the vicinity of Wuhu, the Japanese order to fire on all ships moving on the Yangtze appeared still to be in force and that furthermore the guns of Japanese batteries were still trained pointblank on the LADYBIRD and the BEE. With regard to the first point Sir Robert Craigie stated that it appeared to him to disclose on the part of the responsible Japanese military authorities in China a regrettable disregard for the consequences of their action of December 12, and with regard to the second point that he emphatically protested and requested that immediate instructions be sent to the Japanese Commander at Wuhu to desist from "this threatening and wholly unnecessary action." The British Ambassador's note added that there were women and children on the ships concentrated above Nanking and that this made it all the more imperative that the most explicit instructions be given to all the Japanese fighting services to respect foreign shipping on the Yangtze River. (Embassy's telegram No. 628, December 14, 1937).

On the basis of information given him by Mr. Grew, Sir Robert Craigie made strong oral representations to the Foreign Office on December 15, insisting that Japanese military forces desist from operations against or in the immediate vicinity of Hohsien until British vessels engaged in evacuating the survivors of the U.S.S. PANAY had been removed and had proceeded to a distance affording comparative safety. (Department's telegram No. 345, December 14, and Embassy's telegram No. 641, December 15, 1937).

In accordance with instructions received from his Government, on December 16 the British Ambassador addressed to the Minister for Foreign Affairs a note protesting against attacks made by Japanese aircraft and land forces on British warships and merchant vessels at Wuhu and near Nanking on December 12. After citing the details of the attacks, the British note stated that the British Government had been glad to receive the note of the Minister for Foreign Affairs dated December 14 which offered the profound apology of the Japanese Government for the attacks on the British vessels, stated that measures had been immediately taken to prevent the recurrence of such incidents, and added that the Japanese Government would deal suitably with those responsible for the incidents and would pay the necessary compensation. In addition, the observation was made in the British note that the Japanese Government had made no mention of the attacks on British merchant vessels and requested that an assurance be given that all that had been said in the Japanese note applied equally to these attacks on merchant vessels. The note of protest ended with the statement that it was clear that

that the steps hitherto taken by the Japanese Government to prevent such attacks had so far failed in this purpose and that the British Government now asked to be informed what measures had actually been taken of a character which would put a definite stop to these incidents. (Embassy's telegram No. 642, December 16, 1937).

On December 18 the British Embassy received the Foreign Office's reply, dated December 17, to its representations of December 16. The reply stated that the assurances given in the Foreign Office's note of December 14 with regard to the British warships LADYBIRD, BEE, CRICKET, and SCARAB were equally applicable to the British merchant vessels which were attacked in similar circumstances on December 12. (Embassy's telegram No. 667, December 22, 1937).

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Milto D. Suntain NARS, Date /2-

No. 44

COPIES SENT TO RETHENEOREIGN SERVICE TMENT OF OF THE UNITED STATES OF AMERICA

1938 JAN 11 AM 10 47

DIVISION OF AMERICAN CONSULATE GENERAL COMMUNICATIONS AND RECORDS

Hong Kong, December 16, 1937.

SUBJECT: Effect of Japanese Air Raids on Kowloon-Canton Railway. Canton Railway.

THE HONORABLE

THE SECRETARY OF STATE,

Harrion-Cha

BAR EASTERN AFFAIRS N 1 2 1938

Division of

WASHINGTON.

STATE DEVARENCE OF A-M/C

I have the honor to report that Major R. ..

I have the honor to report that Major R. ..

Figure 1 formerly an officer in the Royal Engineers, has arding the effect of Japanese air raids on the Kowloon-Canton Railway between October 14th and December 15th.

During this period, according to Major Walker, 614 bombs were dropped in 77 raids made on 34 separate dates. The result of these raids was a suspension of traffic aggregating 7 days.

Of the total number of bombs dropped 109 were aimed at the Sheklung bridge which is defended by anti-aircraft According to Major Walker, no direct hits were guns. made on the bridge but the embankment was damaged on several occasions.

On December 12th 114 bombs were dropped in 15 rai The net result of extending over 33 miles of track. these 15 raids was a delay of one hour and 58 minutes

in

- 2 -

in the running time of the Kowloon-Canton express.

Respectfully yours,

Addison E. Southard American Consul General

a. A

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Distinburion:

In quintuplicate to the Department Copy to Embassy, Tokyo Copy to Consulate General, Canton

FE

#### TELEGRAM RECEIVED

LMS

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USS MARBLEHEAD ALUSNA PEIPING COMYAN GPAT

FROM

January 11, 1938

REC'd 5:20 p. COMES SENT TO ACT ION: OPNAV INFO: CINCAF D.N.I. AND M.I.D. ADMIN ISTRATIVE 2nd MARBRIG USMC YANGPAT 1336 COMSUBRON 5 COMDESRON 5 CINCAF COMSOPAT AMBASSADOR CHINA

OO11 Twenty-four medium Jap bombers accompanied by approximately sixteen pursuit raided airdrome Hankow today. One small anti-aircraft shell struck and exploded

on pontoon alongside which LUZON and MONOCACY was moored causing about twelve casualties among Chinese injured 2145

CSB

12. W

F / F9

793.94/12053

#### TELEGRAM RECEIVED

LMS

PLAIN, GRAY & SPECIAL GRAY Canton via N. R.

Dated January 11, 1938

Rec'd 7 p. m.

AMEMBASSY, PEIPING AMEMBASSY, HANKOW AMCONSUL, SHANGHAI

Washington.

JOPIES SENT TO Secretary of State, N.J. AND M.L.D.

January 11, 11 a. m.

マル いいここには 直接 連接 は はない いっこ

Japanese raids this area since January 6 last, included:

One. Daily repeated raiding Canton-Hankow Railway southern section by small groups of planes. No important damage reported.

Two. Several minor raids over Tungkun and Poon district with coastal and interior highway from Canton to Hong Kong as apparent objectives.

Three. Raiding of Nanking Kwangsi twice eighth and twice ninth by groups of about ten planes reported from aircraft carrier stationed off Weichow Island between Pakhoi and Hainan. Informed by Kwangsi representative 🐠 main objectives aerodrome and military academy not ser iously damaged, invaders engaged by Kwangsi planes, no planes lost by either side. French Catholic Mission reported

793.94/12054

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LMS 2-From Centon, January 11, 11 a. m.

reported hit, killing one priest, wounding another.

Four. Scouting over Canton east suburbs last night by one plane which dropped leaflets seen by this officer reading translated as follows: We respectfully urge Kwangtung people to unite in accomplishing the following: (one) overthrow Chiang Kai Shek who has brought humiliation to the country and suffering to the people; (two) destroy Communism; (three) overthrow Kuomintang which has accepted Communism; (four) uphold the new leader who will protect the land and restore peace to the people; (five) achieve self-government to protect Kwangtung. Issued by Kwangtung Peoples Representation Association, twenty-seventh year Chinese Republic, January 1.

Recent railway raiding has been featured by increasingly frequent attacks on trains and rolling stock particularly on Sunning and Samshue lines where service reported crippled because of damaged locomotives.

Press reports continued activity two Japanese warships off Hainan including further appearance at Hoihow, raiding of junks along northern coast and light shelling of coastal points of Tanhsien district (northwest Hainan).

Mailed Hong Kong, Swatow.

LINNELL

SMS:NPL

FE

#### TELEGRAM RECEIVED

JR

GRAY

FROM Tsingtao via N. R.

Dated January 11, 1938

Rec'd 2:45 p.m.

Secretary of State,

Washington.

COPIES SENT TO O.N.I. AND WALD.

FOR WAR DEPARTMENT FROM DORN. 27

Psiping and Hankow please transmit to military attaches.

No. 15, January 11, 5 p.m.

29 Japanese men of war now in the harbor. Army units and more marines landed today. Japanese in complete occupation and everything quiet. Two Szechwan divisions reported reenforcing Chinese at Tsining, southwest Shantung, and considerable destruction of harbor works and military establishments by Chinese authorities at Lienyunkang and Haichow in preparation for abandonment of eastern end of Lunghai Railway. It is probable that the withdrawal of troops has already begun.

SOKOBIN

WWC:CSB

1143

793.94/12058

E.O. 11652, Sec. 3(E) and 5(D) or (E) State letter, August 10, 1972 NARS, Date 12-18-15

#### TELEGRAM RECEIVED

JS

Gray

FROMPSINGTAO Via N.R

Dated January 11, 1938

Rec'd 8:12 p

Secretary of State,

Washington, D.c COPIES SENT TO

January 11, 10 a.m.

All quiet in Tsingtao, the occupation of which by Japanese movel forces was accomplished without a single shot having been fired. Additional marines being landed this morning. 29 Japanese men-of-war in port, in addition to several transports. Japanese Consul General due to call this morning. A member of his staff called on me last night. Apparently difficulties have arisen regarding administration of the Chinese post office.

Sent to Hankow, Peiping.

SOKOBIN

SMS EMB

793.94[12056

DVISER ON POLITICAL RELA

JR

TELEGRAM RECEIVED JAN 12 1838

Tokyo

ARTMENT OF STATE FROM Dated January 12

Rec'd 6:15 a.m

Secretary of State,

793.94

Washington.

21, January 12, 1 p.m.

My 5, January 2, 4 p.m. / Tsingtao Safety Zone.

One. The following is a translation of the reply of the Foreign Office received January 10:

"Department of Foreign Affairs, Tokyo, January 8, 1938.

Excellency: I have the honor to acknowledge the receipt of Your Excellency's note January 2, with regard to the recognition of Edgewater Peninsula at Tsingtao as a safety zone, and in reply to inform Your Excellency that the Japanese forces are ready to recognize the Peninsula as such a zone and do all in their power to prevent it from becoming involved in hostilities and consequent disaster, on condition that the Chinese make no use of the Peninsula nor of its vicinity for hostilities. It is, therefore, respectfully requested that Your Excellency take appropriate steps to have nationals of third countries residing in Tsingtao concentrated within the limits stated in order to prevent the accidents to nationals of third countries which are unavoidable duringo hostilities. 1

4563

-2- #21, January 12, 1 p.m., from Tokyo.

It should be understood that this in no way implies that Japanese forces can be held responsible for losses or damages which may result within the stated limits from hostilities between Japanese and Chinese forces.

I have the honor to be, Excellency, Your obedient servant, signed Kensuke Horinouchi, Vice Minister for Foreign Affairs.

His Excellency, Joseph Clark Grew, et cetera.

Two. Does the Department desire that we take action along the lines of the final sentence of Tsingtao's telegram of January 6, 3 p.m.?

Repeated to Peiping for relay to Johnson.

GREW

JS

PREPARING OFFICE WILL INDICATE WHETHER

Collect NONCONFIDENTIAL CODE Department of State Charge Department PARTAIR Charge to Washington, 1938 JAN 12 PM 5 48 January 12, 1938. AMEMBASSY. TOKYO (JAPAN). 793.94 /2057 Your 21, January 12, 1 p.m., paragraph two. The Department has telegraphed Tsingtao as follows: QUOTE. In view of the present situation at Tsingtao/ the Department assumes that action is no longer necessary or desirable in reference to the recommendation contained in the last sentence of your telegram under reference. Please/confirm. | END QUOTE./ Upon receipt of Tsingtag's reply the Department will expect to instruct the Embassy further if necessary.

93.94/12057

CONFIDENTIAL CODE

F/FG

#### TELEGRAM RECEIVED

JR

GRAY

FROMhefoo via N. R.

Dated January 1/1, 1938

Rec'd 6:58 8

Secretary of State, Washington.

January 11. p.m.

In Lungkow, Hwanghsien and perhaps other places in the consular district armed police have withdrawn from the vicinity of towns and moved "mobile units" to operate in regions less accessible to Japanese occupation. In Chefoo, where regular and special police are on duty, I believe that the regular police force of 400 men will withdraw with their arms in an orderly manner prior to any Japanese occupation, leaving 300 newly enrolled special police without firearms to maintain order under the direction of the local Chinese Chamber of Commerce. In case of emergency, a landing force would be provided by the British destroyer in port. Local foreign residents have not organized any corps for self-protection.

To Shanghai for information Commander-in-Chief.

ALLEN

RR:HPD



#### TELEGRAM RECEIVED

FROM

ackid

3po wj 73 DL

TD Boston Mass 1257pm Jan 12 1938

Hon Cordell Hull

Washington

The Byrd Associates that has been fighting war referendum three months desires congratulate you on your splendid victory in House. Am wiring particularly about your statement of policy in Far East. it is superb and we shall disseminate it widely as possible, we are now working for Congressional backing for your splendid effort for international trade agreements. please dont bother answer this telegram, will make a more detailed report by letter warmest regards.

Richard E Byrd.

210pm.

793.94/12059

In reply refer to FE 793.94/12059 .

My dear Admiral Byrd:

Thank you very much for your cordial telegram of January 12, 1938. I am very grateful to you for your kind expression of endorsement and support of the course which we are endeavoring to follow in connection with the situation in the Far East. I appreciate, also, the spirit of cooperation which prompted your remarks in regard to our efforts to remove barriers to international trade and I look forward to receiving the letter which you mention in your telegram.

With warm personal regards, Sincerely yours,

Cordell Hull

Rear Admiral Richard E. Byrd,

9 Brimmer Street,

FE:ECC:HES FE

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JAN 19 1938.PM

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793.94/12059

of State letter, August 10, 1972 O. State letter, August 10, 1972 O. Alas Marks, Date 12-18-75 DECLASSIFIED: Department By Mitter

\$ 7657. H. F

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SECTION. 以銀工工程成2 PARTICIPATION OF THE OR

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alse-Llaneoue.

DIVISION OF PARS FARS \$ DEC 31 1937 Dayartment Palac

Legelman

2. . group of flwe hundred whinese troops sho had been entremeded on a hill about alt miles south of friguen ever since the depanese passed that oity, were effected and siped out today by the depanese with sir-

# c.

A. a conference between local landers and Japanese officers at Talyuan has resoned a decision that Talyuan sad seven nearly districts are to inaugurate a joint sutencena government separate from the Besking Joyenn-ment. The sanouncesent of the cetabilianment of the new regime and the names of the official will be announced shortly.

793.94/12060

b. Two thousend communist tructos wie retrested to Weng-haise after the fell of Yelynan ere reported to neve sterted locting to obtain food and clothes. Two thirds of the troops are said to have deserted.

8. In limiter Catholic priest who escaped from Telyuan is reported to have said that Chinese Communists will probably turn against the Manking Covernment after the close of the present incident.

### Localber 87

As dellary service on the Cheng-Tel Mailway has been resumed, efter the completion of repairs. The read was beily damaged by the Chinese troops and retreated into chansi towards laigues, free chineses.

## COC. DAY 31 ÷

∠FG Chineses. DEVELTY three hundred s group of three hundre days ago by a Japanese troops was rejulated two

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9114 Meyert Mo.

RESTRICTED

12060

about forty miles south of Taiyuan, at mindion. The Chinese casualties were reported to have numbered seventy, and the Japanese casualties to have been light.

From: M/A. Tokyo. Report Sc. 9114 Det. 11, 1937
RESTRICTED

#### 11. North Chino, Jeining-Hankon Neilvey Lector.

#### 1. Hovember 251

a. Two thousand Chinese troops were discovered in the hills near Tsincheng, along the Chansimhopei border, about forty miles southeast of ringting, by Japanese sireraft. The troops were ettacked with bombs.

#### 2. November 28:

a. An unnamed commender of reven thousand troops of General oung Cheb-yuan's troops is reported to have presented himself at the depends headquarters at solution yesterday, and to have stated that he was convinced of the futility of further opposing the Japanese, and to have offered to surronder his commend to the dapanese. The Japanese commender is reported to have replied that he would require the chinese to operate against the rest of General Sung's forces, in order to demonstrate their sincority.

b. The Japanese audo unit, believed to be the 152nd infantry, 108th wivision, which recently advanced eastward from Janksien, east of the religing-Mankow hallway, took rotacks key town on the northwest section of the whantung progincial border. Town of the Surrendered, but most of them escaped to the south.

1. Thenes of the 7th Air Regiment bombed a small detechment of Chinese troops near awaptsion, in acatern thenetung, near the hopei border.

#### 3. secenter 1:

q. Flanes of the indo Equatron, 5th ir beginent yesterday be shed a group of about two thousand binese troops near Tangyin, about twenty-five miles south of Changtah. Severe casualties are believed to have been inflicted on the Chinese by this strack.

#### 4. Mecamber 21

a. The Endo Squadron of the 5th is neglment this morning bombed Chinese positions about eighteen miles southeast of thengteh. Flanes of the 6th is Regiment this afternoon attacked Chinese troops in the village of Tangyin, inflicting heavy losses.

#### 5. Meccaber 3:

A. A large force of Chinese troops moving from Lichu to Meihwang, about twenty miles from Changteh was bombed yesterday by Japanese sireraft. The kndo squadron of the 5th Air Regiment discovered a concentration of Chinese troops at Jankutzi, northeset of Changteh, which it bombed.

#### 6. Lecember 41

a. Army sirerest bombed lungains, in wouth hopel, on the south bank of the Yellow hiver, after discovering many trucks in that vicinity. In spite of heavy

From: M/A. Tokyo. Report No. 9114 Dec. 11, 1937
RESTRICTED

machine gun fire the Japanese planes accomplished their mission, and returned, after destroying what appeared to be the headquarters of the Chinese 29th ..rmy.

#### 7. Pagember 61

a. Eunghsien orsenel, on the south bank of the Yellow River, east of Chengehow, was bombed by Japanese naval aircraft yesterday. The plant was hit several times, and thuroughly destroyed.

From: M/A. Tokyo. Report No. 9114 Dec. 11, 1987
RESTRICTED

#### 111. Borth Chiss. Tienthin- wasw sellyer getor.

#### 1. Acvember 25:

a. Japanese sirerest today raided hunghsion arachel, on the hung-hal nativey, helf-way between Changehow and Lowynng, and desaged it "beyond repair". Lichwang and Anotong, east of insubow, on the hung-hal hallway, were also bended. heavy anti-sirerest fire was met by the Japanese sirerest near hunghsion, but they effectively bended what they reported as a poison gas factor. Characterist, of the 5th hir Regiment bended detachments of Thinese troops operating in the interval between the leping-Menkow and Mentain-Aukow Railways, and inflicted and casualtics.

#### 2. Sovember 26:

a. Chinese troops, including large bodies of the Chantung provincial troops are reported to be concentrating around Changtsin, consolidating defensive positions, and bringing up large quantities of supplies from Bauches.

b. ...ircreft of the 7th air negiment today bombed Telan telica, ab ut forty miles south of Telan, on the Tientain-lukow hallway. Four treins and important points slong the reliway were reported destroyed. The Sakahira air unit yesterday bombed over one hundred small boots near sheagtsing, on the Yellow divar, above sinsu. as well as strategic points in the vicinity. The raiders not heavy anti-eircraft mad ine gun fire, but accomplished their mission and returned safely to their base. The kinoshita unit has been occasionally bembing the defensive positions along the Yellow Siver in the vicinity of Teinam, which the Chinese have been constructing.

c. The Shao sir unit today attacked a body of four hundred whineze troops retranting near Amendican, in northwest whentung. The same unit later attacked a small body of cavelry near Changtah, on the relpinghankow hallway.

d. The Japanese now calim to have gained complete air control of the Lung-Hai Railway wore. The Raot air unit has been concentrating on this area for the past several days, especially against Loyang and class. At Loyang the hangars and other militery establishments have been bombed, and twenty chinese aircraft on the ground have been destroyed. The undamaged Chinese planes are reported to have been removed elsewhere.

#### S. Movember 29:

g. Troop concentrations and many trucks near acceleng, near the Lung-Hai relivey, northeast of Saifeng in Honen, were bended today by the Japanese. Heavy losses were believed to have been inflicted on the Chinese.

#### 4. Movember 301

A. In contrast to the intense activity of moving troops

From: Wa. Tokyo. Report Ro. 9114 Dec. 11, 1937

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RESTRICTOR

structura now report almost no activity end no sovements over a period of several meeks, Japanese reconnalseanos and supplies that nes been going on is rear of the Chinese lines south of the Kellos siver in Janushing

D. Isben of the Japanese bin in negluent today bushed . Whelen, in western chantume. Another seld ses directod at ten thousand chinese troops neer cubaten, who were mortal south from the Yellow liter. The Chinese 106th sivision water is stationed near asceneng, in about two thousend Chinese troups near inlikes and Honen, was attroxed today by eirorest of the 7th Gogiannt.

PODENCE A:

2. . Least of the heighte unit yesterdey relaed the Tientin-inkow railway in southern heating, and demolianed a train about twenty miles south of Painen.

he worting by the Chinese of Japanese property in Isinan is reported to have been observed by foreign newspaper

correspondents.

soustruction of a second and a taire defense Line around Seneral Lan Fu-one to reported to here ordered the Talen, Tementow, and Turehow, south of Talnan. The VANDALIE E

from Taluan to Tunerow, and Taluan to have been convertchantung Covernment is reported to have been resoved ed to a military base biniler to Manking.

D. Tennaton in Chaffee is reported to here been miligated by the withdrawel of the chantung troops from thet of the a possible throat against Tainen from the direction of to colusion, on the Tainen-Teingteo culledy, to most

POCK DOL 61

and inflicted heavy leases on the Chinese of the point. Fel Chan-mel, reputed to be a descendant of Cenghia Khan, and the leader of a band of about a thousand outg. The hekebire erny air unit reided Mingrang, on the Tientein-Tukow Meileny, south of the Yellow Miver, several years is reported to have pledged sliegishes laws that have been active in northern thantung for to the Inpences. Pedember 7:

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tivision, and the cord infantry, oth littleion. to Changhains, has been espitured by the 9th brigade, beh elected of the resoluting chinese units. St. St. olose ported to be retresting west from changhaing. Changhaing the departers units have pushed on torords the Lingsontack, partly in the hands of the Japanese, is being To the southwest of less istinuthe inthose of the re-30 920°

cheklone border.

he To the normal causing their softenes on Changehore ostrying out a mission near Tenyang and Chinkland, met a mumber of Chinese planes. A pavers air battle fol-lowed, but the ensualties to either side were not divulged. Severa desage was inflicted by dependent airunit, believed to belong to the 4th Air Regiment, in Banking. and macehiahanc, and are continuing the advence towards They have broken through the Chinese lines at Tinghangshan Mary aircraft today relied avengent. To the north, along the Manking-Changhel railway,

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From: Wir. Poryc.

and -lyang.

eraft to the Chinesa troop concentrations at Emmeted

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# RESERVATION OF LEGISLE

1. HOYSTADER TO

the Chinese that had lested several days and held up the exter the depended had proround the severe registence of . Word advance. a slight bettle, while was limilly reported texen today provious reports that the city had been taken with only uiles northwest of hushow. At wash, in spite of the sion occupied sushin mountain, near changheing, tranty that place, as they reached Chowshwangebon to the south-west, and the foot of Tingshau Mill, west of chosehwang-oben. To the south and southwest of Lake Teinu the 9th Brische, Oth Biriston, and the Hore latentry, oth Birt. strenged Japanese units were only six alles sway from alver today was approaching timeyin fortress, and the the Japanese advance on menting along the langue

ground or in the sir. at hanking. erest was enviled out against the Inchisconome alrevous active over wide creas. Mangin, Changelon, Changhaing, abstrated. A reld in force by both army and mary airand Chinese defensive positions were reported to have been languag, sugit, and knows were asong the points bushed, No Chinese pickes were seen althor on the

erea errim saus pue four stong to the attention seems

the Chinese surrendered. is now three toned by the depanese edvance on Lingsin. with changhet, along the lungtes alver by foreign allpa this sector, announced that depen would fight until Concret Massul, in command of the department forces The sole remaining Chinese line of communication

ning and Assempted, and is continuing its advence on Assem-ten. Another column is advenoing bounds the Assimocolumn is approsching Ihing. The Chinese at Ihing ore resion, is pushing on from Changhing into the canchys Hills, the west shore of Lake Trihu and the camehow Mills. This last night took changement, about helives between change chenghal realisty to the north, and is at present between towards amengten and ining. The oth brigade, oth bivicouttwest of Lake Follu two Japenese columns are continuing the Japanese advance in two directions, ported to be already in retreat. Norwaber 27:

savance on the Mangyln Fortress is continuing, and the advanced elements have reached a point nine milosathere b. Along the south shore of the lengtze, the lengmene from the stretegie point.

Constal chiang heleshes is reported to be concentrate, g. The main body of an unnessed unit less night crossed to a northern part of Lake Telhu in golor bosts, and today ing his best civisions, the coth, 87th, and buth, around Benklag, together with customs guards end sait guards. nected ours is svellable for the nounded. became a flank movement on changehom.

A CORP AND A STREET OF THE STR

abow line. Lark of Changehow was also reported to be in Japanese honds, where the Jepanese leth givision was g. On the mouth shore of the Yangtas the Japanese ad-vance has resense the walls of Klangyln. Fleres fightthe important Alengiin Fortress was expected by the Japaness to be lawinent. The copture of this point would bring the collapse of the Chinese Managin-Chenging wer in progress there this evening and the fall of Dushing its atteck vigorously.

THE PARTY OF THE P

Do Farther to the scuth Aning was unuar never the by depende troops gone of whom had erossed have Talhu today. The streets were used from the north and south, Fertiber to the south iting was under attest today and ining wes expected to fell any time.

6. The Johanses troops advancing on Numbleh have orossed the border into inhiel. Fart of the Japanese forces opernating in this sector are the 9th Drigade, 5th Division. flores resistings was being encountered in the bills of this smeat where the Chineme were well equipped with mountain artillery. Hevel nivereft appeared over the bettle lines here and sided the Japanose attack.

rear positions in Mangau and animal, the principal points Mayed elreraft were setive over Teageng, trenty-four strerest os well as moved atrerest ottocked the chinese G. Marel elferate were serive ever sempones eventalioneters morthwest of Chamathous where in spile of bad weather, they attacked the Chinese troops over a period of two hours with bombs and medhine guns.

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attacked being Tanyang, kinten, avengteh, and kingkwo. At Amengteh a troop trein and trucke loaded with troops were destroyed. Army planes at Amengteh and Liyang destroyed part of the important Liyang-Kinkwo highway.

#### 5. Forember 291

a. Liengyin was taken this efternoon by the units believed to belong to the 102nd Division, and by the Tashiro unit. The attack was mided by artiller, fire from finshes fill and by army mireraft.

b. Thing, to the west of Lake Isinu was taken today by the Chiba and Yamada units, believed to be the 115th and 159th Infentry Regiments, respectively, of the 114th Division. Fort of the Japanese forces that operated against this toen was the unit that crossed take Teihu by book yesterday and captured chatenguas. The first entry fate the city was followed by severe street fighting for three hours. The Chinese finally began their withdrawal in the direction of Livens, and the Japanese took up the cursuit in that direction.

g. Thengehow, on the Manking-changhal railway, was also reported captured today, by the Japanese 16th Division.

d. Amangtah was under attack by the Japanese Taknoke, which had advanced from Changhaing, never resistance was being offered by the Chinese, and heavy fighting was in progress.

g. Mayal sirerest today sided the ettacks of the ground forces, and attacked Chinese troop consentrations near Changehow, Chinking, Tanyang, and Aintan. Mayal planes were also active over alyang, Lishui, Ningkwo, and Awangteh. At Chinkiang, about forty-five ailes from Manking, on the Yangtze diver, the Chinese were also attacked from the air. About twenty wiles southeast of Wuhu a troop train was destroyed.

f. The chinese commender of the Bonking gerrison amnounced that he would do every thing in his power to protect foreigners in the city, but advised them at the same time that it would be wiser for them to leave the city.

#### 6. November 501

g. Evengteh was captured by the Japanese today, after severe fighting. The 9th Brigade, 8th Division, opened the streek, and entered the town after tenk units had broken through the gate and entered. —evere street fighting followed. The Fullyama, Yamada, and Toyama units remained to clear the town, while another unnamed unit began the pursuit of the Chinese towards Lenghi. The Chinese entrenched at Langki and Ningkue, twenty miles west and northwest, respectively, of Euungteh, are reported to have already started their retreet.

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h. To the morth the edvence on Manking is proceeding from three directions, one column, slong the banks of the Yangtze, has completed the occupation of Miangyin, has taken dishiking, and is moving on Chinking. And other column advancing slong the Banking-Changhei Railway, advanced from Changchow to Luchengthen, helfway between Changehow and Tanyang. A third column is advancing from Thing towards Liyang.

a. Mavel sirerest today attecked wiscenam, serves the Uniontang siver from Mangehow.

#### ?. seember li

a. The Japanese school clong the Manking-Anaghai railway towards Manking today recoved Janyang, and Tanyang tation fell into their hands, with the fell of the town itself expected almost hourly. The station was captured by the 19th brigade, 16th bivision. Mesistance is being mot by the Japanese, the Chinese being well equipped with meschine guns and trench mortars.

b. The sevence on Manking from Owengteh, to the south, is proceeding by three routes. The column edvenced from twengteh and took, successively, heaptehen and wiyang. This latter town was entered by the as yet unidentified Yamawote unit. The second column has taken boluwer, and has reached whichispu, about one third of the any bestered Awangteh, and a intimude to sevence in the direction of Langki, and a intimude to sevence in the direction of Langki. Third column has passed exutions, has reached Awakutang, and is approaching Owencheng, west of Awangteh.

d. The thibs and Yamada units, believed to belong to possibly a new 114th Division, have taken Tsushebshen, half-way between Liyang and Theing, and are continuing their drive parallel to the Santing Siver.

d. The construction of defense works is being carried forward feverishly in Manking, with both soldiers and civilians participating in the task. The eight gates to the city have been closed, and said bag a placements are being constructed, as well as tranches.

a. Havel sireraft relief -isoshen, sorose the Chienteng Siver from Hangehow. Other sireraft were active over the Manking-Chenghai area, and are believed to have inflicted beavy losses on the Chinese. Jointz bombed included Light and Chinten. The Manzaki army air unit as well as the Assamura unit, believed to belong to the 4th air Regiment, were also setive, and with the neval unite attacked troops at Tanyang. Oncerted attack on Tiensheng fortress, across the Yangtze from Miangyin, was also corried out by sircraft.

#### 5. Jesember 21

Marel planes today made an attempt to raid Tachiachang sirdrome near Hanking, and met thirty Chinese combat planes and three bombers. A severe serial engagement ensued, in which ten Chinese combat planes and all three

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bombers were that down. The Japanese losses, if any, were not divulged.

- h. The town of Mintan, part of the Tanyang-Liyang defense line, and located about twenty miles south of Tanyang, was captured by the 20th and 38th Regiments of the 16th Division, which advanced yesterday from Chungtangkiao. After the Japanese first entered the town severe street fighting ensued, but the Chinese resistance was eventually overcome.
- e. Changlopu, eight miles east of Langki in Lahwei Frovince, was captured by the Japanese today. Another Japanese column was advancing through the hills near Lukiapu, ten miles morthwest of Changlopu.
- d. Army and Navy sircraft were again active over the blanghai-Menking area today. Planes believed to belong to the 4th, 6th, and 14th Air Regiments reided Tanyang, Aintan, Lishui, Bingkwo, and verious troop concentrations. Chinese positions in the area west of Alangau were also attended.

#### 9. Pecember 3:

- g. The Japanese advance on Manking from the east and southeast is continuing. From Liyang one of the advancing columns has moved around the flank of Mopan Ridge, and has resched Manghaingfu, about helivey from Liyang to Lishui, and Shihkiskiso, about fourteen miles from Lishui and forty-five miles from Manking.
- b. From Langki, twenty-five miles northwest of hwangteh, which was taken this morning, a separate Japanese column is elso advancing towards Liebni, which is the next Japanese objective.
- c. Tenyang was taken this morning by the 19th Brigade, 16th Division. Heavy street fighting in the town lasted all morning, but the Chinese were finelly driven out. From Tenyang the Japanese edvanced towards Euyung, and captured Bulipu, three miles west of Tenyang, and Ting-chwang, halfway between Euyung and Tenyang.
- d. Units of what is believed to be a new 102nd Division, and the Techiro unit, which have been setive along the bank of the Yangtze River, today completed their occupation of Riangyin Fortress, where they captured a number of 32-centimeter guns and much camunition.
- an otherwise unconfirmed report to one Japanese newspaper states that the Chinese have massed over one hundred thousand troops in the Chinking-Auyung-Lishui srea. It is stated that if this report is true, one of the largest bettles of the incident is about to be fought in this area. Foreign military observers in Japanese are reported to predict the fall of Benking by Bessmber 20th.

- 1. In the three hour fight that took place around brangteh on november 88th the Chinese are reported to have lost one thousand man. One of the bodies identified by the Japanese is reported to have been that of General Chino kno-hwa, the commander of the let Szechwan Division.
- a. When the victory parade of the Japanese through the International mettlement was held an unidentified Chinese threw a granade into the Japanese column, near the Lincare Department Store, wounding three soldiers and one policemen. He was immediately killed by a policemen of the Municipal Folice Force. The incident is said to have been satisfactorily closed by the exchange of notes this evening between the head of the Municipal Felice and Colonel Sugments, representing General Maturi.
- A. The Japanese haval air units, in an attempt to wipe out the Chinese sir units based on Manking today vigorously bombed Techinohang sirdrome for one hour, and reported that no Chinese planes went up to most them. The army units are elso reported to have participated, and these report that Chinese planes were met, and eight shot down. A number of planes on the ground were also reported destroyed.
- 1. Dix Chinese places appeared over changhai yesterday morning at an eltitude of twelve thousand feet, and dropped several boxbs, none of which did any material damage. The planes then returned towards Manking, pursued by the Japanese sircraft that brought on yesterday's battle, when thirty Chinese planes were reported to have met the Japanese. The thirty pursuit planes were reported to have been of Soviet manufacture, and the three boxbers that were met were Lartin planes.

#### 10. \_cosmbar 4:

- A. A column of five Japanese trucks with food and amminition attempted to pass across the French Concession from the International Settlement to reach Lantac, but was halted at the Concession line by French troops, until formal permission had been received.
- h. The Japanese column advancing on augung captured Taituchen last might, and continued on to capture Baing-haisagenen this morning, where Chinese resistance was everyone. At noon this column was approaching sangehispien, and was last reported within three miles of Augung, the center of the line at present being held by the Chinese ground Manking.
- 2. A severe engagement was in progress at Paimatang, about nime miles from Lishui, this morning. The Japanese troops involved, yesterday took changshingpu after a battle in the Mopan hills, and this morning captured Changshang. From here they pushed on to Paimatang, which is between Liyang and Lishui, where they were engaged with the Chinese this morning.

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honking, and bulyeng, twenty-five miles east of autu, were of Tenyang this morning, and pushed on towards Chinking plotod, se plaint, about thirty-flux miles southesst of completion of its espture the Chinkiang-Ayang-Lishui line is sylvested to collepse. The 20th and 33rd Megi-The strategic propertions for the envirolement of Centing are reported by the Japanese to here been our occupied by the Japanese. A commer of Liebul was reported in Japanese hends this efternoon, and with the ments of the 16th Livision completed the occupation

in combat, eleven more on the ground nore reported demaged. raided on circiose located incide the city, and destroyed Mayed aircraft raided henking of noon today, bombing sluost all day. In addition to the tro plenes shot down fuel depots lossted there. Later they fles to Chubsten in ossi . mbreis on the Tientsin-lukov kalleny, where outpost of aubu. In dependent reids were continued the kachischnug sirarous and other military establishb-16 planes, two of wrien they brought down after a bettle lasting thirty minutes. One depende air unit bonbed the rear of Chinese positions at unncheng, an they bombed opiness installations. Other air units ments. Two Jeponese fliers net three chinese type

· 近 東京などの日本 : 二十二

auyung was token this morning after a night of atrest Chienkangtow, to the west, this morning. The large force of thinese troops in this area begin retresting fighting. From agung the dependence advanced to take B. Herry fighting was in progress norces the oreax seven hundred yorks east of Augung yesterkey, and townrde Manking.

THE PROPERTY OF THE PARTY OF TH

b. From Lishui the Japunese advance has reached sushan-then, wir miles west of Lishui. The Japunese ore now twenty-five alles from Benking at this point.

As Mayer streets sugay norman the outskirts of the other was attracted. The dappease met howy anti-circustate was attracted time of the farmer man to things of the farmer was no things of the farmer was not no things. near Exclosor military trains and trucks were destroyed. station was destroyed on the Unaghai-Eangohou-Ningyo salksy. Eingke and Hesiabs sale as attacked, end Usyal street's today bombed Benking and Hangohor.

g. The "Minghai", the Chinese Mayy's only well-equipped marship, ren aground near Fakankinng, seross the Yangtos from Mangyin, as the result of bombardment by the The ship was suptured by the Japaness yesterday. The empire are preceded by an artillery duck be-tween Aspanese warmilys and the betteries at Tiensheng. Jepenese sireraft.

spire of previous Japaness wernings, in remaining near Chinese junks loaded with troops that were attacked by

A foreign vessel of unnamed nationality was sunk near subu, by Japanese bombs, when it persisted, in 100. 11, 1937 Report No. 9114 W. TOKYO.

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acrose the river below askanking. Fart of the blockade in the river at misaggin has been removed by the Japanese, and some vessels have been able to pass this point.

f. The Changhal-Asshan section of the Changhal-Langehor ratiway has been reopened to traffic, after repairs completed by the Sato engineer unit. Repairs on the Changhal-Cocchow section of the Changhal-Lanking railway are in progress, and the section is expected to be open for traffic in a few days.

#### 12. Lecember 6:

- g. The Japanoue advance on Manking has reached Jukinochen from Luyung, about twenty-five Biles southeast of Nan king. Jong the Lishui-Manking highway the Japanose advance took in Suchanchen lest night, and reached Jukis, shout twenty-five Biles from Manking, today. Idvance Japanose elements sure reported at Locheic Den, only four miles east of Manking, and the nearty village of Languagengoies was also reported captured.
- h. The 9th Brigade, 5th Division, has resched a point shout eight miles from whu, fifty miles south of Manking, on the Yangtze diver. The Japanese Isuached a surprise attack on the hinese positions at sulyanchen, on the south edge of Tanyang Lake. The Thinese at whu are reported to be strendy crossing to the other side of the \*\*IVET.
- g. The Fujite Tank upit, and the hatcoke and homoe Regiments, believed to belong to a new light Division, which took part in the initial landing at hangehow Day, entered Duracheng, forty miles west of wengteh, and eighty miles south of Manking. The Chinese at this point are still resisting stubbornly.
- d. The cepture by the Japenese of Suyung and Lishui is said to have brought the collapse of the last Shinese defense line in front of Henking. Japenese electeft reported that a big confingration was in progress in Henking. A major part of the troops that were to hold Henking are reported to have already crossed to the other side of the river, on the pretext of consolidating the defenses there.
- g. Two troot ships loaded with Chinese were reported sunk peaterday by Japanese strongth near Juhu. A Japanese warship that has been sweeping mines from the Yangtae below Alangyin for the past week has reported raids by Chinese bowbing planes several times over the past few days, none of which did any domage. They also report that though within range of the Chinese land betteries, these have remained allent, and have permitted them to continue their work undisturbed.
- f. Japanese naval aircraft bombed Wuhu, in order to cut the retreat of Chinese troops by that route from Manking. Both Army and Nevy siroraft bombed in the vicinity of

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Hanking. Jukov, north of the Yongtze, was else bombed.

Reval strengt inter flew to Chunsien, on the TientsinJukow Railway, and bombed barracks located thers. No
Chinese strengt were not either at hunking or chunsien.

The Japanese planes all returned safely to their base.

#### 15. Lecember 7:

.

A. The Japanese troops are reported to have completely surrounced Nanking, with distances varying from one kilometer to five biles separating the advanced elements from the walls of the city. Intillary fire was opened on the city in the afternoon, and a general offensive was reported to have been opened, but reports were not element to what progress, if any, had been made, or whether the Japanese had begun their serious attempt to take the city. Japanese sireraft were active all day over the city in attacking various military installations. The positions nearest the city known to be occupied by the Japanese were faitsishen, twelve miles to the northeast, Tainglungshan, five miles to the east, and Fengashan, ten miles to the southeast. A rumor that Purple mountain had been taken also, caused confusion among the populace remaining in Manking.

The Yemede and Chibe units of what is believed to be the 114th division have sevenced from Liebul towords anking, and are approaching Tubestal after taking colingers. The 20th and 38th Infantry egisents of the 16th Livision have advanced towards the capital slong the Shanghai-Sanking highway from Auyung, and are approaching by way of Chilin Len and Tzekinshan. The 18th Brigade, 9th Division, has advenced from Aintan to break through the Chinene defenses at asokiso sen to take Tachisobong sirdrome outside of Menking. The Chinese have already withdrawn to the inside of the city wall. The ankizaka Regiment (Seth Infantry) of the with vivision is reported to have been selected as the first Jepanese unit to have the privilege of entering Monking. in Manking the Chinese troops are reported to be without leaders and to be in confusion. wefested troops are streaming through the city, trying to reach the other side of the langtre. Fart of the central may's 36th, 87th, and 88th Livisions are said to have begun withdrawing to Julion, on the north bank of the langtre liver. Two languages actually are still left inside the city, in addition to the troops. They are reported to be without food or elothing, except what they have on they are reported to their backs, and to be congregating in the area orginally proposed as a neutral zone, and bounded by Chung than Road, Repokung hoad, Sikeng hoad, and Chung Shan Worth HORA.

g. The 6th bivision units and other units in the same area, operating against Muhu, have taken several villages

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meer Esnyang Lake, and are moving west to make contact with the 9th Brigade, 5th Division, which is already close to whu. Thengshengtow and changenegated have fallen into the hands of these units, and benchichen, thenty-five miles cost of Sunu has been resched. Luandheng, about eighty miles south of Banking, has been taken by the units of the light Division this morning, the fall of this town cutting off the Chinese retreat from Sanking to the south both by road and relies. Suppress units have broken through the Chinese defenses along Jauiyang Sivor, fifty thousand Chinese troops are reported to face annihilation in this area.

d. ermy and havy sireraft bombed manking, and may a sire draft also attacked muhu during the day.

#### 14. secumber 61

a. General Chiang Eni-shek is reported to have fled with Ars. Chiang and Ar. Donald by sirplane from hanking to hanchang. The plane was observed by the Japanese air units when it took off, and was pursued for one hundred and fifty miles, but due to superior speed the plane outdistanced the Japanese over anking.

b. The Chinese are continuing their preparations for holding the inner defense line of Manking, from near Turple Countain, on the lower Yengtze, to the upper bend in the river below Changning. The Chinese are reported to have blown up all the bridges leeding to Lanking in this area, and to have leveled all village walks near Manking, to destroy any possible cover for the Lapanese. The effectiveness of the three hundred thousand Chinese troops in Manking is housted by the Japanese, as these troops are mostly provincials. Chinese anti-sircraft batteries are reported to fire on the Japanese new only in apprecia bursts. Looting within the city is said to be increasing. The Japanese have recommended to all foreigners remaining in the city that they withdraw, history is also reported deserted, as the population has fled scross the river.

c. Ithough it was previously reported that an opportunity would be given for hanking to surrender and a
time limit silowed for a favorable reply, events of the
day did not bear this out. A general offensive began
against the city this morning. Deveral villages immediate—
ly outside the city were taken, and the principal fight—
ing was in the vicinity of Chunghwachs, outside the
Chunghwa gate, where the Chinese fortifications were still
being held. By noon the fighting was at a high pitch.
The 36th Infantry, 6th Division, was in action at Chunghwa,
and with the 19th Infantry, 6fthe same Brigade broke
through at Doyachen, and was attacking Taingshan. The
35th Infantry, of the same Bivision, near Takeng, captured
a sector north of Liuchiatsun. The 7th Infantry of the
9th Livision, with artillery and circust surport, had
advanced to within ten miles of Ranking. The 50th Brigade,
16th Division, was attacking the Chinese positions on the
sides of Tangshan mountain. The Chiba and Tamada regiments of the 114th Division were attacking at the foot of

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hiushushen, and were pushing the Chinese towards Yuhwa-tel.

- d. The attack on which also was making progress. The horakai and hateoka Asgiments of the 112th bivision advanced from Quancheng towards Wuhu, and took a village differn miles to the south of their objective. Boshaugkiso, elseven miles south of Suhu, also fell into Aspanese hands. Infantry and tank units broke through the Anhesi hills, and reached a point five miles from Wuhu. The oth Brigade, 5th Division, espured positions along the Toingshui miver, five miles east of Suhu, and advanced on Tangtu, between Manking and Wuhu. They had arrived south of Tangtu after crossing Tangung and Wuhu between Manking and Muhu.
- g. The Chinese are reported to be withcreating from Manking to Wulu, from which is strengy in the hands of the Japanese.
- f. Chinkiang, the cepital of alangsu on the bank of the langue, was taken today. The 102nd Division also crossed the river near Alangyin and entered Tsingkiang. They began clearing the eres of Thinese troops who had been opposing the advance of Japanese ships up the river. The troops that took Chinkiang are reported to have been the 12th and 43rd Regiments of the 11th Division.
- g. Reval aircraft bombed Chunhwachen, to assist the erray's attack, and also sided the ground forces at Ting-kiang, on the north bank of the Yangtse, across from kiangyin.

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#### V. Miscellaneous.

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#### 1. hovember 25:

a. Japanese mayor mireratt egain reliced points in couth thina today. Changehs, the capital of human, was reided, and the reliway station, engine cheds, and munitions were houses were damaged. The Tiesho stratome, on the outskirts of tenton, and the stratome at hoose Figris, were booked and heavily damaged. Theokwan and Yintek, where an irplene factory was destroyed, were else the objects of attack.

h. Japanese newal planes appeared over bheklung, east of Canton, and after bombing various installations, continued on to Chunties, on the Canton-heavow railway, where the railway station and other points of importance were bombed, and considerable demage inflicted on the railway itself.

c. Neval eircraft also raided Loyene, in Monan. At the airfield six Chinese planes on the field were set on fire by the Japanese bombs, and nearby hangers and barracks were damaged.

#### 2. hovember 271

a. Three hundred moviet places are reported to have been delivered to date to the Chinese troops, in two instalments. Of the one hundred and neventy in the first instalment most are already claimed by the Japanese to have been disabled. The record instalment was recently delivered to manchow, in manual, where they were samewind. Lighty of these were said to have been sent to the Uninese air units at clean and heavens, and the remainder to Manking. Ith this second instalment eleven pilots and eight seronsutical engineers from Aussia are also reported to have arrived, to train the Chinese. Iraining is reported to be in progress at hankow. Asgotistions are also reported to be improgress for the delivery of two hundred more dovice planes.

h. Foreigners are reported to have been engaged for the manning of anti-aircraft guns at Canton, and to have been promised a two thousand yuan bonus for each Japanese plane brought down.

g. Due to the supply of noviet planes to Chins, tension is reported to have appeared in the noviet-Japanese relations. Fifteen hundred Soviet planes are reported concentrated in the Maritime Provinces, and many submarines are seid to have been concentrated at Viadioostok.

d. .. new autonomous government for Monan was innugurated today, independent of the Manking Government and dedicated to the suppression of Communism.

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#### 3. Advesber 281

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4. Japanese sireraft again resumed their bombing of Chinese lines of communication in Jouth Chine yesterday and today. The objectives of these attacks are reported to be Changemiton, backlung, and kinho, on the Canton-Row-loon reliber, and the railway bridge at Sheku. The telephone service between Canton and Hongkong, which had been repaired yesterday, wes interrupted again today. Jamage is reported to have/liftlieted by the Japanese at Hengabih, Leitung, Lienkongkow, and other points along the Hankow-Canton Railway.

#### 4. hovember 291

g. Tienho and fairen sirdromes, hear Centen, were attacked today by Japanese navel siroraft. Yuntes and takonghow Stations, on the Centon-hankow railway, and the Centon arsenal ware also bombed. Their points visited were listak, howkong, and lichenyso, on the Canton-hankow railway, and the same units reconnoitered Fatshan and returned safely to their base.

#### 5. Movember 30:

a. A number of berry bombing planes are reported to have been delivered by the Loviet Government to the Chinese at Mioshen, in southern Bonen, on the Felping-Bankow Seilway.

#### 6. geedaber 1:

- g. Resterday Japanese sircraft carried out raids on Chinese troop concentrations in Anhwei Province. Freight trains on the Tientsin-Pukow railway were also bombed, and a large force of men, trucks, and horses between Tsebsies and Lingpl was almost annihilated.
- h. In Asentung trains and buildings near the Lingkonghow Station on the Canton-Bankow reilway were bombed.
- g. A British plane from the sircreft carrier "Angle" was reported to have been fired on by a ship of unnamed nationality about thirty miles southwest of englan lighthouse. The plane had dropped a flare to essertian the direction of the wind, and this is believed to have been mistaken for a bomb by the vessel that opened fire.
- d. The Soviet Brigade Commander Bratvin, head of the aeroneutical mission to Chine, is reported to have arrived by plane at Hankow, secompanied by Colonels Radov and Ligarcs. A number of Soviet four-engine bombers are reported to have been observed flying over hankow yesterday.

#### 7. Promber 21

Succide of Caston. Later these planes flew north along

From: M/s. Tokyo. Report No. 9114 Dec. 11, 1937

RESTRICTEL

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the Centon-Bankow hallway and bombed several points.

h. whangehvanshan and Estachwenshan Islands, off Toishen, on the southern coast of Kwantung, are reported to have been occupied by the Japanese late last month. A traveller from Escac to Hongkong has brought a report that a large body of Japanese troops, arriving in several transports, has been landed at Chikkei, opposite the two islands named above, about forty miles south of Macso, apparently in preparation for an attack on Canton. Such reports have been given out previously from time to time.

4. with the removal of the Uninese Government from heaking, the Japanese Government is considering withdrawal of their recognition of the Uninese Lovernment, on the theory that it has become a purely local regime.

d. With the exit of the anti-Japanese leaders from Thanghai, a new propaganda organ is reported to be in the process of being exteblished in Canton.

thm!

e. The Japanese Consul-General in mongroup varued/if the activity of anti-Japanese agitators continued to be tolerated in that city, Hongkong itself might become involved in the present incident.

#### 8. -ecaster 3:

- A. . spokesman for the Japanese Foreign office stated that he doubted the truth of the report from hongkong that the Japanese Consul-General had intimeted that Hongkong night become involved in the present incident if anti-Japanese egitation were allowed to continue in the city.
- h. A conversation yesterday between Ceneral Chicag ani-shek and Mr. Mac Tac-tung, one of the Chicase Communist leaders, is reported to have decided on the organization of a corps to conduct guerrilla warfare against the Japanese in the hinterland, especially at points along the Yangtze River.
- 4. Eight Coviet places sent to Canton from Bankow, and ten more that had arrived at Canton from Bongmong are reported to have been destroyed by the recent Japanese air raids at Canton.
- d. Japanese navel sirgreft today flew over Shuachum, on the Canton-Aceleon Asilway, and bombed positions near Sheklung. The planes also raided Kongtoun, Chuntien, and Yinchanyao, on the Canton-Renkow Hailway.

#### .9. December 41

g. The question of a formal declaration of war by Japan against Chinn is expected to be revived with the fall of Nanking, according to the Japanese press. It is expected that with the fall of Nanking General Chiang Kai-shek

From: M/A. Tokyo. Report No. 9114 Bec. 11, 1957

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RESTRICTED

will not resign immediately, but the future policy of the Japanese will depend upon his actions. If he moves his base of operations to Canton or to some other point, they may be compelled to follow in order to either destroy his resistance or drive him out of Chins.

- h. The recently established autonomous governments in Inner Mongolia. Pelping, honen, and Central Lhansi are believed by the Jeponese to indicate a desire on the part of the populace for a new regime to replace the Manking Government. Appearantitive district leaders from the districts along the eliging-hankou mailway met at whunteh yesterds; and sent identical telegross to the provincial leaders in North China, unging a federated government for entire North China. Ar. If Chung-ping, a prominent resident of Taming, after consulting with the village leaders of nearby towns, north China, urging that Lopei cooperate with the Japanese.
- g. The British Amboney is reported to be making preperstions to move from Lankow to Chenghal, by way of Academa.
- d. A considerable number of foreign pilots ore believed by the Japanese to be in the chinese service. One Chinese plane recently shot down was piloted by two Russians who were injured. Soreigners have reported that they have dined with six hussian aviators who refused to disclose whether they were hussian army pilots or merely volunteers in the Chinese service. Coners! Bugiyams, the Japanese war Minister stated that fifty superior type Soviet planes have been received by the Chinese, of which twenty each were sent to Manking and Canton, and ten to whensi.

#### 10. December 5:

- a. In spite of the close approach of the Japanese to Wanking, General Chiang Asi-shek is reported to be still in Manking.
- h. Asports that the Japanese may withdres their recognition of the Banking Government when Sanking is taken, continue to appear in the Japanese procs.
- g. General whichg hal-shek is reported to have rejected the German offer of mediation in the present dispute, which was advanced by the German /mbassador to China.
- d. Japanese navel strongst raided Lanchow, the capital of Kansu, in a long distance flight. Lanchow is located considerably farther inland than Chungking, the new capital temporarily set up for the Chinese Government. It is nine hundred and minety-tem miles from Dairen, seven hundred and forty-five miles from Tientsin, and one thousand and fifty-four miles from Thanksin, buring the raid four of the heavy four-motored bombing planes

From: M/A. Tokyo. Report No. 9114 Dec. 11, 1937
RESTRICTED

RESTRICTED

received from Mussia, and ten small planes were destroyed, and several other small planes and barracks were damaged. Two type 1-16 planes were repulsed in the air. All the Uniness planes were said to be of Loviet manufacture. The Japanese all returned safely to their base.

g. Japanese neval aircraft raided the canton-mankow railway, bombing Yunten, Yinchanyao, and Chuntien, and reconnoitering over Canshui and Fatshan.

#### il. wecomber 6:

a. . prediction that the Sest hopei autonomous regime, set up some two years ago, will be marged with the new horth thing regime is made by the Japanese press.

b. Spinion is reported to be divided in higher Chimese circles as to whether thins should centinue to fight or should sue for peace. General thing sai-shek is reported to have thenked the German subsessor for the German offer of mediation, and to have acked him to continue his efforts towards mediation, apparently, the Japanese believe, in the hope that these efforts will restrain the Japanese. Media also said to have indicated that he might respond to an offer of mediation if it would respect the territorial integrity of thins, and if not make directly by the Japanese, but through a third party.

q. The Soviet Soversment is reported to have sold two hundred aircraft to the Chinese. Airplanes are reported to be flown into Shine, and other arms and munitions, including rifles and anti-aircraft guns, to be transported by two routes, one of which is from eiberis over the old carsven route ever the Tienshea Annge to Shuguchak (Sinkiang), to Sahai (Kansu), and thence to Sien (Shensi). Soviet military advisors are reported to have advised the mandament of Nanking, and felling back on Changaha for a prolonged resistance. Type 2-16 Soviet places are reported assembled at Uruschi (Sinking), and flown from there by Soviet pilote to Lanchow, and from there either to Sanking, Sankow, Chung-king, or Sien.

d. Nevel aircraft bombed Tientangwei and ringhu, on the Canton-Rowloon Hailway, and continued from there to Tinchanyao, ruantan, and haitung, and other points.

#### 12. December 71

a. Sumors that Ceneral Chieng Ksi-shek/mere current in Tokyo today, apparently due to a conference between ar. Mirota, the Japanese Foreign Minister and the German Labassador. The Japanese eabinst is reported to have agreed on a policy of waiting for the fall of Manking before withdrawing its recognition of the Manking Government. They are reported to have decided on either formally denouncing the Manking regime, or simply ignoring it and awaiting the rise of a new regime favourably disposed

From: M/A. Tokyo. Asport No. 9114 Dec. 11, 1937

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to depan. ... one circles are said to believe it inconceivable that General chieng hoi-shek would surrender now.

- h. It is removed that General Chiang mai-shek may simply assume responsibility for the Chinese defeats and resign, in which case his successor would probably be either ar. weng ching-hui, Chairman of the Central Political Council, or General Chang Chun, the wearetry General of the Military Council, both of whom are believed to be in favor of a speedy peace. General chiang is said to favor strongly the former of the two as his successor. It is believed that the most likely successor to General Chiang as the commander of the Central army would be either General for Chung-hai, the Awangsi military chief, or General Cheng Chen, the war Linister. The Japanese are reported to desire the appointment of General Bo Ying-chin to this post.
- c. It was reported yesterday that the Manking Covernment would close the branchesian changhai of the four banks controlled by the Chinese Covernment, to prevent their absorption by the Japanese. These are the branches of the Bank of chine, the Central Bank of Chine, the Bank of Chine, and the Agricultural Bank of Chine.

#### 13. Legember 6:

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- 2. The Japanese size in the present incident ere announced by members of the government to remain unchanged, and to be the abendonment of anti-Japanese sovements in Unina, and Chinese cooperation with Japan. It was also announced that if the Chinese continue to resist after the fall of masking, Japan cannot cease her military compaign.
- h. The inauguration of the "rederated autonomous Government of wongolis" took place today, with krince Yun as Chairman, and krince Teh as Vice-Chairman and President of the folitical Council.
- g. The utonomy movement is reported to be growing stronger in North Chine, with the objectives of the movement stated to be the suppression of Communism, and separation from the Kuomintens.
- d. Two raids were carried out by Japanese direraft in Awangtung today. The first was directed at the Canton-Rowloon Railway, where Tientangwei and Fingwu were bombed. Some of the planes also flew along the Canton-Rankow Railway, and bombed Chuntien, Fakonghao, Sankong, and Taingyun. On their return the planes also bombed Tungshan airdrome on the outskirts of Canton. A later raid, in the afternoon was also directed at the two railways, and considerable damage was done.

From: L/. Tokyo. Deport No. 9114 -ec. 11, 1937 RESTRICTED

# DOCUMENT FILE NOTE

SEE	893-51/6569	FOR	Tel #17, 27	<u>m</u>
FROM .	Japan	( Grew	) DATEDJan.	10, 1938
TO		NAME		1-1127 ero

REGARDING: Sino-Japanese situation: Conversation with Hirota in megard to-, in which rumor that certain American bankers were going to extend aid to China and the Japanese peace terms were discussed.

mr

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GRAY
Tokyo
Dated January 10, 1938
Rec'd 8:45 a.m.

Secretary of State,
Washington.

17, January 10, 2 p.m. CONFIDENTIAL

In the course of my conversation on various subjects with the Hinister for Foreign Affairs this morning he said that I might like to know of certain rumors and reports which had reached him.

One. He said that reports were circulating in Japan to the effect that certain American bankers, unspecified, are considering or have decided to advance credits to the Chinese Government to the extent of 150,000,000 gold dollars to help China pay her debts and to stabilize the Chinese currency and at the same time certain English bankers were considering similar action to the extent of 30,000,000 pounds. The Minister did not say whether he had definite confirmation of the accuracy of these rumors.

Two. Himota then turned to the question of peace negotiations with China and said that before the Brussels Conference

6569

-2- No. 17, January 10, 2 p.m. from Tokyo

Conference he had suggested to the American, British, German and Italian Ambassadors that Chiang Kai Shek should take the initiative in approaching the Japanese Government for peace negotiations. About December 27 the German Ambassador in Tokyo had asked Hirota if he would state the Japanese peace terms which could be conveyed to Chiang Kai Shek through Ambassador Trautmann and that Hirota had then stated the Japanese terms as follows:

(One) Abandonment by China of all anti-Japan and anti-Hanchukuo activities and cooperation with Japan for cambating communism.

(Two) The establishment of certain demilitarized zones.

(Three) The settlement of Sino-Japanese economic relations.

(Four) Indemnification for the results of the hostilities.

I asked the Minister if he would care to elaborate on these various points. He said that the demilitarized zones should be created in inner Mongolia, North China and the district now occupied by Japanese forces south of the Yangtze River between Shanghai and Nanking.

Inner

-3- No. 17, January 10, 2 p.m. from Tokyo

Inner Longolia was to have an autonomous government under sovereignty of the Chinese Central Government. The regimes in the other demilitarized zones were to have a considerable degree of autonomous power but they also would be under Chinese sovereignty. As for an economic settlement this would include the development of China's natural resources and also a tariff agreement with Japan.

Three. Mirota said he was aware that Kung had approached the American Government through Ambassador Wang to ask the American Government's advice with regard to the acceptance of these terms and also to request the mediation of President Roosevelt. Hirota said that the Japanese Government had asked the Chinese Government for its reply to these terms about January 10th and that they were now awaiting a reply at any moment. Hirota said that he was telling me this merely because he thought I would like to be informed with regard to the situation.

Four. The foregoing probably indicates the significance to be attached to reports published this morning in the papers that the Cabinet yesterday agreed on the principle that so long as "China manifests no desire to seek a settlement on a basis which will safeguard the peace of East Asia, Japan has no alternative but to resolve to

face

-4- No. 17, January 10, 2 p.m. from Tokyo

face a war of endurance". It is reported also that various measures such as declaration of war and withdraval of recognition of the Chinese Government were discussed but not agreed upon. The Cabinet will reportedly decide today whether the Emperor will be requested to call a special conference to consider what measures should be taken to implement the principle above described.

Repeated to Shanghai for Hankow.

GREW

HPD

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS 13

Major Mayer clates
What of precent the Bretish
have as Shanghai three
battalins (2650 regular lines
seus 500 "service" troops - with
3150)

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TELEGRAM RECEIVE

EDIAN 1 3 1938 CARTMENT OF STAT

JR

CINCAF

FROM
January 12, 1938

Rec'd 3:03 p.m.

ACTION: OPNAV

INFO:

AMCON SHANGHAI AMAMBASSADOR CHINA

112000

My 0007/1455 British now plan replace (a) battalion troops scheduled depart two February maintain-

ing three battalions in Shanghai. 1348.

CSB

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## TELEGRAM RECEIVED

JR

FROMAIN

Shanghai via N. R.

Dated January 12, 1938

Rec'd 2:45 p.m.

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Secretary of State,
Washington.

COPIES SENT TO O.N.I. AND M.I.D.

63, January 12, noon.

By letter dated January tenth Japanese Consul (1) (a) General advised Senior Consul that he had been asked by the Japanese naval authorities to communicate following for information of interested powers.

"As is known a part of the booms on the Yangtze River which were originally constructed by the Chinese for their military purposes has recently been forced through by the Imperial Japanese navy with a view to utilizing the opening only for military navigation. Since the channel forced through the booms cannot be opened for free navigation without causing under the present circumstances no small obstacles to the military operations of the Japanese forces, any vessel whether it be government owned or private owned other than those of Japanese nationality, which has the desire of passing through the channel is hereby cordially requested to get in touch with the Japanese navy and secure beforehand their understanding for its prospective navigation

through

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or its prospective navigation

-2- #63, January 12, noon from Shanghai via N. R.

through the booms. Needless to add the Japanese navy are always ready to give sympathetic understanding to the navigation of foreign vessels so far as it is permissible, from the military point of view and offer facilities to the passage of such vessels by supplying a convoy. It is therefore the earnest desire of the Imperial Japanese navy that the vessels of the interested powers taking full cognizance and appreciation of the above mentioned circumstances will scrupulously refrain from attempting to navigate through the forced channel freely or in such a way as may invite misunderstanding with the Japanese navy".

Copy to Commander-in-Chief.

GAUSS

CSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitter 0, Charles NARS, Date /2-/8-75

PREPARING OFFICE WILL INDICATE WHETHER Collect

Charge Department

Charge to

TELEGRAM SENT

CONFIDENT AL CODE PARTAIR

PLAIN

Department of State

Washington,

1938 JAN 15 PM 3 15

January 15, 1938.

AMERICAN CONSUL,

SHANGHAI, (CHINA).

Reference your 63, January 12, noon.

Please inform your Japanese colleague that while we are, as a matter of courtesy and practical expediency, informing the Japanese and Chinese authorities, when and so far as practicable; of the movement of our vessels, the implication contained in his letter that the navigation of American vessels on the Yangtze may be limited by Japanese military or naval stipulations is not repeat not acceptable and that we claim for our ships absolute freedom to move and trade on the Yangtze.

Please repeat your 63 and this instruction to Hankow and Tokyo for information only.

793.94/12063

Sent by operator

D. C. R.-No. 50

# TELEGRAM RECEIVED

2ND MARBRIG USMC

M.I.D.

FROM REC'd January 17, 1938

8:20

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JS

ACTION: CINCAF (AD'INFO: AMCON SHANG CINCAF AMCON SHANGHAI COMSUBRO 5

COMYANGPAT

COMDESRON 5 COMSOPAT AM-AMBASSADOR CHINA- AG

. . 8612 No further information Tsinpu offensive. Heavy

fighting continues along Grand Canal southwest Yenchow. Japanese claim complete occupation. Tsining. Fifty Japanese planes reported raided Nanchang airdrome today. Nipponese effort cross Chientang River vicinity Hangchow failed. Japanese military slowly relaxing restrictions against return Chinese refugees to Nantao and Poetung 1842.

SMS NPL

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19<sup>3</sup>,94

# DOCUMENT FILE NOTE

SEE 893.0146/610	FOR Despa	tch #40
FROM Hong Kong	(Southard) DATED	Dec. 13, 1937
ro	NAME	1—1127 600

REGARDING: Sino-Japanese conflict: Comment of British officers on retention of troops in Shanghai.

2065

793.94/ 12065

# TELEGRAM RECEIVED

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DESRON NINE

January 13, 1938

Rec'd 9:45 a.m.

ACTION: INFO:

OPNAV CLUCAF SECOND BRIGADE USMC

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ALLAHBASSADOR CHI NA
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0012. Yangtze River ports quiet. 2030.

RR:WUC

793.94/12066

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JAN 1 0 1938

#### CONFIDENTIAL - FOR STAFF USE ONLY

The Honorable

William C. Bullitt,

American Ambassador,

Peris.

Sir:

Referring to the Department's instruction no. 594 of December 27, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation.

Sincerely yours,

Cordell Hull

#### Enclosures:

1. Aide-mémoire from British
Embassy, December 24, 1937.
2. Aide-mémoire to British
Embassy, December 28, 1937.
3. Memorandum of conversation,
January 5, 1938, between
the Secretary of State and
the Chinese Ambassador.
4. Aide-mémoire from British E

4. Aide-mémoire from British Embassy, December 27, 1937. 5. Aide-mémoire to British Embassy, Japanery 4, 1938. December 27, 1937.

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JAN 1 0 1938

### CONFIDENTIAL - FOR STAFF USE ONLY

No. 2096

Herschel V. Johnson, Esquire,

American Charge d'Affaires ad interim, London.

Siri

Referring to the Department's instruction no. 2075 of December 27, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation.

Sincerely yours,

Cordell Mull

#### Enclosures:

- Telegram no. 1764, December 23, 1937, from Paris (paraphrase).
   Aide-mémoire from British
- Embassy, December 24, 1937. S. Aide-memoire to British
- Embassy, December 28, 1937.

  4. Memorandum of conversation,
  January 3, 1938, between
  the Secretary of State and
  the Chinese Ambassador.
- 5. Aide-memoire from British Embassy, December 27, 1937. 6. Aide-mémoire to British Embassy, January 4, 1936

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Embassy, January 4, 1938.

793.94/12066B

JAN 10 1938

## CONFIDENTIAL - FOR STAFF USE ONLY

The Honorable

William Phillips,

American Ambassador,

Rome .

Sir:

Referring to the Department's instruction no. 231 of December 27, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation. Sincerely yours,

Gordoll Mul.

### Enclosures:

1. Telegram no. 1764, December 23, 1937, from Paris (paraphrame).
2. Aide-mémoire from British

Embassy, December 24, 1937. S. Aide-memoire to British

Embassy, December 28, 1937.

Memorandum of conversation, January 3, 1938, between the Secretary of State and the Chinese Ambassador.

Addominion of Political Politica

5. Aide-mémoire from British Embassy, December 27, 1937.
6. Aide-mémoire to British Embassy, January 4, 1938.
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January 10 1938

CONFIDENTIAL - FOR STAFF USE ONLY

No. 1413

The Honorable

Joseph C. Grew,

American Ambassador,

Tokyo.

Sirı

Referring to the Department's instruction no. 1406 of December 27, 1937, there are enclosed for your confidential information copies of certain documents, as listed below, relating to the Chinese-Japanese situation. Sincerely yours,

Cordell Bull

#### Enclosures:

Telegram no. 1764, December 25, 1937, from Paris (paraphrase).
 Aide-mémoire from British

Embassy, December 24, 1937. 3. Aide-mémoire to British

3. Aide-mémoire to British

Embassy, December 28, 1937.

4. Telegram no. 346, December 31, 1937, from Moscow
(paraphrase).

5. Memorandum of conversation,
January 3, 1938, between
the Secretary of State and
the Chinese Ambassador.

6. Aide-mémoire from British Embassy, December 27, 1938.

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January 10 1988

# CONFIDENTIAL - FOR STAFF USE ONLY

No. 525

The Honorable

Nelson T. Johnson,

American Ambassador,

Peiping.

Sir:

Referring to the Department's instruction no. 521 of December 27, 1937, there are enclosed for your confidential information copies of certain domments, as listed below, relating to the Chinese-Japanese situation. Sincerely yours,

Cordell Hull

#### Enclosures

1. Telegram no. 1764. December 23, 1937, from Faris (paraphrase).

2. Aide-mémoire from British Embassy, December 24, 1937. 3. Aide-mémoire to British

5. Aide-memoire to British
Embassy, December 28, 1957.
4. Telegram no. 346, December 31, 1957, from Moscow
(paraphrase).
5. Memorendum of conversation,
January 3, 1938, between
the Secretary of State and
the Chinese Ambassador.
Aide winning from British D

6. Aide-mémoire from British Embassy, December 27, 1937. 7. Aide-mémoire to British Embassy, January 4, 1938.

Copy to Ambassador, Hankov. 1-7 13

JAN 8 1938. Him Ho

# TELEGRAM RECEIVED

JR

GRAY

FROM Tsingtao via N. R.

**COPIES SENT TO** O.N.I. AND M.I.D.

Undated

Rec'd 7 a.m.

January 1/3, 1938

Secretary of State,

Washington.

FOR MAR DEPARTMENT FROM DORN.

Peiping and Hankow please transmit to Military Attaches:

Number 16, January 12, 6 p.m.

Tsining reliably reported captured by Japanese. Weinsien occupied. Japanese reports of resistance and fighting on Kiantsi Railway and around Tsingtao are absurd and obvious attempts to win medals and glory in Japan; there is no sign of resistance or fighting anywhere in Shantung except near Tsining. About three thousand Japanese army troops landing at Tsingtao today. First reliable report from Tsinanfu states General Ma Liang is heading new government in Tsinanfu, and city occupied by Japanese with very little resistance.

SOKOBIN

DDM:RR

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#### CORRECTED COPY

A portion of this telegram must be closely paraphrased before being communicated to anyone. (A)

Hankow

Dated January 11, 1938

REC'd 8:20 p.m., 12th

Secretary of State,

Washington. L. C. DTM

24, January 11, 3 p.m. (GRAY)

Following for War Department from Connel Stillwell:

(END GRAY) "Since the capture of Nanking the front has melted away, fighting has practically ceased except on the Tsinpu line, and the military chiefs have been at a loss for a plan of action. The Chinese realize that they cannot compete in a stand up fight. The Japanese realize that they are extended dangerously and they can see an apparent target to strike at that will give them a decision. Both sides are in a quandary, the Japanese hoping the Chinese will ask for peace, the Chinese hoping for intervention by a third power but determined not to quit.

definite plan, the essence of which is the adoption of guerilla warfare on a wide scale and the mobilization of the masses. This program has a strong appeal and has gained popular backing. (END GRAY) The Kuomintang leaders have been forced to take notice, since they can suggest

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-2- #24, January 11, 3 p.m. from Hankow

suggest nothing better, but they are not pushing the program in a wholehearted way, because its success will mean the passing of power to the Reds. And perfect support by the Government has therefore been extremely meager to date. (GRAY) Present indications are that this policy will be adopted and that there will be little further serious effort to oppose the Japanese with a field army. The question is, can it succeed? Guerilla warfare means to conclude action by small units scattered over wide areas. Control is extremely difficult and without some moral force which urges on the individual concerted action is unlikely. This new force has elsewhere been supplied by religious fervor or patriotic zeal. In China the religious element is lacking and patriotic fervor is as yet largely undeveloped, though growing steadily. It is hard to arouse the spirit of self-sacrifice in people who have been treated as badly by their own troops as they have by the enemy. (EMD GRAY) However, the Chinese have been swept into mass action by propaganda in the past and the Reds claim that their plan will do it now ... (GRAY) To supply this patriotic urge to self-sacrifice which is essential for success they are depending on the student type of agitation to arouse the people. In regions where Chinese troops have committed excesses results

-3- #24, January 11, 3 p.m. from Hankow

results will be disappointing. In others where only the heavy hand of the Japanese has been felt, there may be more response. The question of arming the volunteers is however a serious matter; arms by the million are not available. The time factor is also important and it is doubtful whether this can be done short of six months by the Chinese. Based on the facts at present apparent the resort to guerrilla warfare by the Chinese cannot be expected to be adopted with enthusiasm by the Chinese as a whole and cannot have much more effect than to harass an enemy who will still be able to keep a firm hold on the occupied territory.

Twenty-four light Japanese bombers with eight pursuits flew in at 5,000 feet from the east about noon today and bombed Hankow airfield heavily. Little damage. Weather overcast and hazy. Anti-aircraft fire ineffective. No Chinese airplanes in the air. No Japanese losses. Formation: groups of three in wedge with pursuit all on right (north) flank. Airplanes turned and flew off to northeast.

Query. Does War Department desire further report direct movements of personnel to Military Attache's office in China, or will Military Attache be free to make changes that may seem-desirable?" (END GRAY)

JOHNSON

HPD:KLP:W.C

Hankow

Sun by Col Bratton

# TELEGRAM RECEIVED

A portion of this telegram must be closely paraphrased before being communicated to anyone. (A)

Dated January 11, 1938

Rec'd 8:20 p.m., 12th;

Secretary of State,

Washington.

Division BAR EASTERN AFFAINA And 3 1938

24, January 11, 3 p.m. (GRAY)

Department of State

Following for War Department from Colonel Stillwell: (END GRAY) "Since the capture of Nanking the front has melted away, fighting has practically ceased except on the Tsinpu line, and the military chiefs have been at a loss for a (?) action. The Chinese realize that they cannot compete in a stand up fight. The Japanese realize that they are extended dangerously and they can see an apparent target to strike at that will give them (?) on both sides (?) quandary (?) the Japanese hoping the Chinese will ask for (?), the Chinese hoping for intervention by / third power but determined (?) quit.

(GRAY) On the Chinese side only the Reds have a definite plan the essence of which is the adoption of guerilla warkare on a wide scale and the mobilization of This program has a strong appeal and has the masses gained popular backing. (END GRAY) The Kuomintang leaders (?) to take notice, since they can suggest nothing better, but they are not pushing the program in

93.94/12068

-2- #24, January 11, 3 p.m., from Hankow.

a wholehearted way, because its success will mean the passing of power to the Reds. And perfect support by the Government has therefore been extremely/meager to date. (GRAY) Present indications are that this policy will be adopted in Nanking (with?)little/further serious effort to oppose the Japanese with a fiveld army. The question is, can it succeed? Guerilla warfare means to conclude action by small units scattered over wide areas. Control is extremely difficult and without some moral force which urges on the individual concerted action is unlikely. This new force has elsewhere been supplied by religious fervor or patriotic zeal. In China the religious element is lacking and patriotic fervor is as yet largely undeveloped, though growing steadily. It is hard to arouse/the spirit of self-sacrifice in people who have been treated as badly by their own troops as they have by the enemy. (END GRAY) However, the Chinese have been swept into mass (?) by propaganda in the past and the Reds claim that their plan will do it now. (GRAY) To supply this patriotic urgs to selfsacrifice which is essential for success they are depending on the student type of agitation to arouse the people. In regions where Chinese troops have committed EXCESSES

-3- #24, January 11, 3 p.m., from Hankow.

excesses results will be disappointing. In others where only the heavy hand of the Japanese has been felt there may be more response. The question of arming the volunteers is however a serious matter; arms by the million are not available. The time factor is also important and it is doubtful whether this can be done short of six months by the Chinese. Based on the facts at present apparent the resort to guerrilla warfare by the Chinese cannot be expected to be adopted with enthusiasm by the Chinese as a whole and cannot have much more effect than to harass an enemy who will (?) able to keep a firm hold on the occupied territory.

Twenty-four light Japanese bombers with 8 pursuits flew in at 5,000 feet from the East about noon today and bombed Hankow airfield heavily. Little damage. Weather overcast and hazy. Anti aircraft fire ineffective. No Chinese airplanes in the air. No Japanese losses. Formation: groups of three in wedge with pursuit all on right (north) flank. Airplanes turned and flew off to northeast.

Query. Does War Department desire further report direct movements of personnel to Military Attache's office in China, or will Military Attache be free to make changes that may seem desirable?" (END GRAY)

JOHNSON

HPD:KLP:WWC

[CONFIDENTIAL]

#### PARAPHRASE

A telegram (no. 24) of January 11, 1938, from the American Ambassador at Hankow quotes a message from Colonel Stilwell for the War Department which reads substantially as follows:

Fighting has almost entirely ceased except on the Tsinpu line, the front has melted away, and the military chiefs have been at a loss for a plan of action since the capture of Nanking. The Chinese understand clearly that in a stand-up fight they cannot compete. The Japanese are aware of the fact that they are extended dangerously and they are able to see an apparent target to aim at that will give a decision to them. Both the Chinese and the Japanese are in a quandary—the Chinese hoping that a third power will intervene but determined not to quit and the Japanese hoping that the Chinese will ask for peace.

On the Chinese side only the Reds have a definite plan, the essence of which is the adoption of guerrilla warfare on a wide scale and the mobilization of the masses. This program has a strong appeal and has gained popular backing. As they can suggest nothing better the leaders of the Kuomintang have been forced to take notice but, because the success of this plan will mean the passing of the power to the Reds, they (the Kuomintang leaders)

leaders) are not pushing the program whole-heartedly. Therefore, to date perfect support by the Government has been very meager. Present indications are that this policy will be adopted and that there will be little further serious effort to oppose the Japanese with a field army. The question is, can it succeed? Guerrilla warfare means to conclude action by small units scattered over wide areas. Control is extremely difficult and without some moral force which urges on the individual, concerted action is unlikely. This new force has elsewhere been supplied by religious fervor or patriotic zeal. In China the religious element is lacking and patriotic fervor is as yet largely undeveloped, though growing steadily. It is hard to arouse the spirit of self-sacrifice in people who have been treated as badly by their own troops as they have by the enemy. Nevertheless, in the past the Chinese have been rushed into mass action by propaganda and it is the claim of the Reds that their plan will now have this effect. To supply this patriotic urge to selfsacrifice which is essential for success they are depending on the student type of agitation to arouse the people. In regions where Chinese troops have committed excesses results will be disappointing. In others where only the heavy hand of the Japanese has been felt, there DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By \_Mitty 0, duelety NARS, Date \_\_12-18-75

-5-

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Query. Does the War Department desire further report of direct movements of personnel to Military Attaché's office in China, or will Military Attaché be free to make changes that may seem desirable?

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# TELEGRAM NO. 24, from HANKON, CHINA, dated January 11, 1938, 3 p.m.

#### DISTRIBUTION:

M.	ce Symbol	Office Title	Chief or Head of Office
	8	Secretary	Cordell Hull
	U	Under Secretary	Summer Welles
	C	Counselor	R. Walton Moore
	M-A	Assistant Secretary	George S. Messersmith
	A-8	Assistant Secretary	Francis B. Sayre
	A-V	Assistant Secretary	Hugh R. Wilson
	SA	Special Assistant to the Secretary of State	Leo Pasvolsky
	LE	Legal Adviser	Green H. Hackworth
	PA/H	Adviser on Political Relations	Stanley I. Hornbeck
	PA/D	Adviser on Political Relations	James C. Dunn
	FEIS	Adviser on International Economic Affairs	Herbert Feis
	CI	Division of Current Information	Michael J. McDermett
	CC	Chief Clerk and Administrative Assistant	Edward Tardley
	CA	Office of Arms and Munitions Control	Joseph C. Green
	SAVAGE	Office of the Historical Adviser	Hunter Miller, Chief Carlton Savage, Asst. Historical Adviser
	72	Division of Far Eastern Affairs	Maxwell M. Hamilton
•	EU	Division of European Affairs	Jay Pierrepent Moffat
	ŘA.	Division of American Republics	Laurence Duggan

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	•	Secretary	Cortoll Ball
•	<b>b</b>	Water Secretary	Summer Welles
	•	Overse) ar	R. Walten Moore
	7	Assistant Benefary	Seorge S. Mossersmith
	7	Assistant Secretary	Francis B. Sayre
	I	Assistant Secretary	Regh 2, Wilson
	1	Special Assistant to the Secretary of State	Las Pastrolaty
	5	Sogni Advisor	Oren I. Lackorth
	N/M	Merker on Political Relations	Shanley E. Esembook
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т.,	700	Advisor on International Remonto Affairs	Merbert Pots
	8	National of Correct Information	Michael J. McBernott
	8	Whise Clork and Administrative Assistant	Meand Martlay
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TELEGRAM SENT PREPARING OFFICE
WILD INDICATE WHETHER
Collect Department of State Charge Department Charge to Washington, 1938 JAN 17 PM 5 27 January 17, 1938. DIVIDUM UF 793.94118 AMEMBASSY. HANKOW (China). N. R. FOLLOWING FROM WAR DEPARTMENT FOR COLONEL STILLWELL: QUOTE. Reference your query in Hankow's No. 24, January 11, 1938. The War Department has directed the movement of officers in China in order to get a more satisfactory coverage of important information. For the present it is desired that the officers continue in the general area of their present locations. Your recommendations as to personnel movements should be promptly transmitted and will be given full consideration. UNQUOTE. H-ee JAN 17 1938.PM FE:RCM:NN Enciphered by .

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Sent by operator ..... D. C. R.-No. 50

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NISER OF POLITICAL RELATION

JAN 17 1938

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Il. to Houleau of

1101 17 10

Division of FAR EASTERN AFFAIRS

Department of State

January 17, 1938.

TO HANKOW:

FOLLOWING FROM THE WAR DEPARTMENT FOR COLONEL STILWELL:

Reference your query in Hankow's No. 24 January 11, 1938.

The War Department has directed the movement of officers in China in order to get a more satisfactory coverage of important information.

For the present it is desired that the officers continue in the general area of their present locations. Your recommendations as to personnel movements should be promptly transmitted and will be given full consideration.

FW783.94/12068

#### TELEGRAM RECEIVED

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This message must be closely paraphrased before being communicated to anyone.

USS MARBLEHEAD

FROM January 13, 1938

Rec'd 10:45 a.m.

ACTION: CINCAF (ADM)

CINCAF

INFO:

SECOND BRIGADE CCMSUBRON FIVE CCMDESRON FIVE CCMYANGPAT COMSOPAT

NAVDEPT

ALAHBASSADOR CHINA

ALUSNA FEIPING

793.94

0012. Occupation progressing rapidly and without visible friction. Status customs indefinite post office functioning. Chinese and European police disbanded. Inner harbor being cleared of obstruction (?) resumed service troops with field equipment and many civilians landed. Form of new city government not announced whether civil or military British and United States signalmen ejected from Pagoda signal station but permitted to return with apology error stated Consul General. Otaka and staff presence call has been arranged for 13th. Japanese CINC advised boarding officers calls not desired and have not been made by United States or British SOP civilian committee for concentration and evacuation using Edgewater disbanded today as result of vote no longer necessary situation calm several foreigners have expressed the belief that business will begin soon. No liberty granted by either British or this vessel. 2359

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KLP

### TELEGRAM RECEIVED

This message must be closely paraphrased before being communicated to anyone. (C)

Berlin From

Dated January 13, 1938

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BIVISION EUROPE OF

JAN

DEPARTMENT OF

Division o

Rec'd 9 a.m.

Secretary of State, Washington.

Washington.

11, January 13, 10 a.m.

CONFIDENTIAL

A chief of mission here of a state having interests

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in the Far East showed me last evening a copy of a despatch which the diplomatic representative of his country at London had addressed to his Government which recounted the following: Eden before leaving for the Riviera had asked him to come to see him and had stated that he believed it to be highly possible that the Japanese would attack Hong Kong and that in such a case Great Britain would certainly declare war on Japan. Eden had added that London was in daily touch with Washington and that he entertained hopes that in such an eventuality Great Britain could count on the military support of the United States.

My informant said that he had shown me the despatch in strict confidence as he wanted to obtain my views on possible American action in the circumstances envisaged.

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-2- No. 11, January 13, 10 a.m. from Berlin

I told him in reply that as far as American public opinion was concerned, in view of the strained relations in the Far East, the course that the United States might pursue under various conditions was from time to time the subject of speculation in the American press but that in so far as I could observe from that source there was nothing approaching a definite crystallization of a common view. Respecting what official attitude my government might adopt in the specific expectations mentioned I could throw no light whatsoever.

GILBERT

RR:WUC

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-75

# DOCUMENT FILE NOTE

		Chang Trading				
FROM	Hong Kong	<u> </u>	Southard	) DATED	Dec. 14,	1937
<u>#</u> #/			NAME		111	27 ero

#### REGARDING:

Transshipment and transit of war materials at Hong Kong.
Information that the German SS SCHARNHORST called outward
bound at Hong Kong during past week carrying 700 packages of airplane
motors from Germany for the Japanese Government.

# DOCUMENT FILE NOTE

SEE 762	00/152 FOR Despatch #3804
FROM Ger	many (Gilbert ) DATED Jana3,1988
REGARDING:	Far Eastern situation. With regard to the Far East, Germany's tendency is to favor China except as Japan may afford a menace to Great Britain. Germany carefully avoids alliacnes or any arrangements involving general reciprocal support, either with Italy or with Japan.

SEE	762.00/152	FOR	Despato	h #3804	
FROM	Germany	(Gilbert	) DATED	Jan.3,1938	
го		NAME	·	1-1127	40
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REGARDING:

Far Eastern situation. With regard to the Far East, Germany's tendency is to favor China except as Japan may afford a menace to Great Britain. Germany carefully avoids alliacnes or any arrangements involving general reciprocal support, either with Italy or with Japan.

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. dustain NARS, Date 12-18-75

Pyrenees. The value of Italy to Germany is of precisely the same order. despecting the Far Sast, Germany's tendency is to favor China, except as Japan may afford a menace to Great Britain. The value of many of Germany's present-day activities is represented as being ephaneral, and the implication is conveyed that they would gradually be discarded under changed conditions. In particular, with a view to the future, Germany carefully avoids alliances or any arrangements involving general reciprocal support, either with Italy or with Japan.

Anti-Communist agitation, aside from internal uses, is employed to the same end. Its particular objective at the moment is to gain the support for Germany of elements in Great Britain. High German officials have stated to me that in their view it is still a moot question as to whether the Russian army is permanently injured by the "purge". They consider recent happenings in Russia as, nevertheless, a definite gain for Germany, in that the consequent anti-Russian reaction in France

and

and Great Britain has weakened the French continental position.

(3) The present political situation obviously can not be considered apart from military factors, not necessarily in relation to actual combat, but certainly their potentialities for political pressure are taken into consideration.

On this score Germany takes note of expressions of British belief that time is operating in Britain's favor due to the progress of British rearmament and to an estimate of a progressive deterioration in German economy. German leaders, however, hold that presisely the opposite is true: that on a relative basis German strength is increasing. Respecting British naval rearmament they point out that as between Great Britain and Sermany per se the British fleet could at its present strength successfully blocade Germany and that an increased navy would not better Britain's position in this respect. Concerning estimates of the military factors in German economy, it is granted that no opinion is readily susceptible of proof. German contentions are nevertheless that their present plans are especially designed to prevent a recurrence of the effects of the British blocate in the World War, that these plans when implemented can accomplish that end under war conditions for a year or perhaps longer, and in general that foreign estimates of Garman economy are customerily based on classical economic standards which are not applicable to presentday Germany. They admit nevertheless that in a protrasted

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war a British blocade would be a formidable weapon. German strategists recognize British superiority of access to raw materials but contend that, while raw materials are an essential and predominant factor in naval strength, man power is a sine que non in land forces. They hold that on land French military power has reached its maximum, that the British increase is negligible, and that the German increase, both in personnel and materiel, is progressive. They to a definite degree discount air forces on either side as a "determining combat weapon". They expend on this by saying that it is true both in respect of the air plane as a weapon per se and because overwhelming air superiority on either side is not to be reasonably expected. They point to German strategic superiority over the 1914 situation in that their forces were then divided by pursuing the initiative on two fronts, while their present military dispositions and political arrangements are with a view to acting solely defensively on the Western front. Their contentions are that the relative military forces involved, taken together with British political and military embarrassments in the Mediterranean and in the Far Sast in contrast to German freedom from such difficulties, will eventually evolve into a situation whereby Great Britain will be brought to a compromise. This estimate, they assert, lies back of the official attitude that Germany is not pressing her case, and also back of Mitler's public statements that time will be required for a settlement.

# DOCUMENT FILE

# NOTE

SEE 893,00	PaRa Canton/118	FOR#9	3	***********
FROMCanto	n	( Linnell) DATEI NAME	· ·	<b>6</b> P0
REGARDING:	Sino-Japanese 1 Islands: Repo	relations; Occupation orts concerning.	of Hopao and Othe	r Costal
			m	r

793.94/ 12073

shipment of aviation gasoline to Yunnanfu marked a new development; and that the cause of the fire was not and probably never would be known.

B. Relations with Other Countries:

1. Relations with Japan:
(a) Occupation of Hopso and other Coastal Islands\*

In early October marines from Japanese werships occupied the island of Kopao (荷色), also known as Eukot or Bullock Horn, lying about thirty miles southwest of Macao in the lower West River delts. According to an official British source, the Japanese subsequently prepared and used the island as an air base, which was believed for seaplanes only in view of the unadaptability of the place for an airfield. It was reported in the press that Japanese marines also landed on Shangchuan ( 上) ), better known as St. John's or Sancian, and Haischuan (下川), two islands lying off the Toishan section of the Ewangtung ecast about forty miles west of Hopeo; but that they withdrew back to their ships after a few days. Official British sources later confirmed that Japanese marines had in fact been observed in activities of some sort on the islands, and subsequent press reports indicated that such activities had probably been confined to taking soundings and procuring fresh water and other supplies.

(b) Continued Attacks on Bosca Tigris Forts and Whampos

The bombardments of Bosea Tigris Forts by warships and planes, which had been a feature of the closing days of September, were continued in early October. From the first to the eleventh, inclusive, both these points were bombed almost daily by considerable

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Telegrams of October 6, 5 p.m.; 16, 5 p.m., frelegrams of October 2, 5 p.m.; 4, 6 p.m.; 6, 5 p.m.; 7,6 p.m.; 8, 5 p.m.; 11, 11 p.m.; 13, 4 p.m.

fleets of planes which generally visited them as first objectives on extended raids of the province; and on Ostober 4th the Bosca Tigris Forts were also subjected to some shelling by eight warships, according to information provided by Fourth Route Army Headquarters. The forts were reported to have returned the fire, and little damage was believed to have been done by either side.

The planes raiding Whampon concentrated their main attacks on the military and naval scademies, small naval yard and monument of Dr. Sun Yet-sen on Danes Island. A representative of the Metherlands Harbor Works, which company has been undertaking the dredging for the projected Whampon deep water port, reported that the planes eventually achieved substantial damage of their objectives, in addition to accomplishing considerable destruction of life and property in a nearby village; but that they abstained from attacking the properties and operations of the harbor works, which continued dredging throughout the month.

# (c) Attacks on Other Coastal Foints - General Exploratory Character of Japanese Maval Operations

Actual Japanese naval hostilities were less extensive than in September. Aside from the one bombardment of Bosea Tigris and the occupation of Hopao described, the activities of the warships, other than aircraft carriers, were confined to enforcement of the blockade, light shellings of a few coastal points and increased attention to the exploring and sounding of coastal waters as if in preparation for future landing operations. The coastal sections in which the Japanese displayed greatest interest were those of the Summui (新會), Toishen (合山) and Chikkai (養溪) districts in and west of the lower West River delta, Pacan District (寶安縣) between Hongkong and Bocea Tigris,

Bias

<sup>\*</sup>Telegrams of October 4, 6 p.m.; 18, 5 p.m.; 20, 5 p.m.; 22, 4 p.m.; 30, 5 p.m.

Bias Bay to the west of Hongkong, and Hainan Island and the opposite western Kwangtung mainland from Kwangshowan to Fakhoi.

On October 16th and 17th several destroyers indulged in a light close range shelling of the town of Chirkei (京溪) and a nearby fishing village, the action apparently being either to protect sounding operations or to supplement acrial "strafings" of the Sunning Railway towns in that area which had been carried out the previous day. It was also reported that Japanese neval vessels on October 27th and 31st shelled Tai Nan Shan (大南野) on the eastern shore of the lower Fearl River delta near Deep Bay, just north of British territory. A DOMEI despatch of October 29th confirmed such bombardment of the place and stated that it had been successful in destroying a new Chinese battery which was under construction.

Further naval bombardments of Holhow (northern Hainan) and Fakhoi (western Ewangtung) were also reported colorfully in the local press, but information from official and private sources indicated that such reports were either totally unfounded or greatly exaggerated. Military Headquarters confirmed, however, that additional Japanese warships appeared in Hainan and western Ewangtung waters in the latter part of the month and evinced considerable apprehension of an attack in those regions.

According to Chinese sources, the number of Japanese warships operating off Kwangtung increased to over thirty during the first three weeks of October. On or about the 24th, however, a considerable number of these ships left for the north, reportedly to participate in operations off Shanghai and Fukien. These included the two aircraft carriers understood to have been stationed near Kacao.

(d) Stopping of Foreign Vessels by Japanese Marships:
(See Section II C)

(e) Japanese

#### (e) Japanese Terrorization of Fishing Junk Floors:

The press reported that 500,000 Kwangtung fishermen had been ruined or forced into idleness by Japanese terrerization and had petitioned the Government for relief. A high Chinese official directly concerned with the matter, who is not given to loose or exaggerated statements, confirmed that he had received such a petition; that the press reports were somewhat exaggerated; but that a substantial proportion of Kwangtung's estimated 600,000 fishermen had been threwn out of work as a result of actual and feared Japanese terrorization.

#### (f) Extensive Japanese Air Raiding\*

Japanese air units, operating usually from aircraft carriers, continued to carry out frequent and extensive raids over Kwangtung. According to a recapitulation published by the Kwangtung Provincial Government controlled paper, which checks substantially with day by day information obtained by the Consulate General, they made a total of forty-four raids in the Province during the month, in which the number of planes participating ranged from six to forty-one and averaged about twenty and the total of definitely recorded bombs dropped was slightly over 600.

#### (g) Intensive Bombing of Railwayne

The principal feature of the air raiding was the intensive bombing of the Kwangtung railways, particularly the Hankow-Canton-Hongkong route. Of the forty-four recorded raids, all but four included the bombing of one or more lines.

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<sup>\*</sup>Telegrams of Ost.2, 3 p.m.;4, 6 p.m.;5, 8 p.m.; 7, 6 p.m.; 8, 8 p.m.;
9, 5 p.m.;9,4 p.m.;11,11 p.m.;13,4 p.m.;14,5 p.m.;15,5 p.m.;16,5 p.m.;
17,11 a.m.;18,5 p.m.;20,8 p.m.;21,3 p.m.;23,4 p.m.;25,6 p.m.;25,5 p.m.;
26,4 p.m.;50,8 p.m.;and Hongkong's 15,9 a.m.and 4 p.m.;16, 10 a.m.;
20, 8 p.m.; and Manking's 24, 1 p.m.
\*\*Telegrams\*\* included in references for Item I above.

The Canton-Hankow Railway was the most severely attacked line, being bombed on October let and daily from the 6th to the 14th and 22nd to 24th, inclusive, in a total of 26 separate raids. A total of about 350 bombs were dropped along the route, of which appearently some 150 were aimed at the line itself and the rest at other objectives in its proximity. Considering this great expenditure of effort, the attacks on the reilroad were astonishingly ineffectual. While the line was frequently out, the invaders never succeeded in ceriously damaging the important bridges, despite the inadequate defence equipment of the route, and repair work was done so promptly and efficiently that, except for one or two interruptions of a day or two duration, through service was never held up more than a few hours. The principal railway objectives were the bridges mear Kongehuen (江村), lakong (琶江), Yingtak (英德), Shiushow, Lokehong and other points.

The Chinese section of the Canton-Kowloon Railway was also subjected to a series of intensive raids - a development rudely disillusioning quarters which had previously felt confident that the line would be spared in deference to British sensibilities. It was attacked on the 14th, 15th and 19th to 34th, inclusive, in some fifteen separate raids, and was the target of about 130 bombs. With one exception, the raids were all made at Sheklung (forty miles south of Canton) or points further south between there and Hongkong territory. The large bridges at Sheklung were the most frequent objective and on October 15th the raiders succeeded in damaging the approaches to them, which resulted in a three day discontinuance of through service. With this exception, the bombing was remarkably ineffectual and such damage to the tracks as was occasionally accomplished was always repaired within a few hours.

The small and unimportant Sunning Railway, running from Kongmoon on the upper Fearl River delta east and south to Toishan near the mouth of the delta, was raided on the 15th and twice deily on the 22nd, 23rd and 25th. The small railway extending from Canton 31 miles west to Samshui on the West River was also reported to have been bombed on the 15th and 22nd.

#### (h) Railway Buildings and Rolling Stock also Attacked\*

In addition to their relatively ineffectual damaging of the tracks and bridges of the several railway lines themselves, the invaders raided and did considerable damage to a large number of stations, workshops and other railway buildings, as well as rolling stock on the lines. Local "mixed" (passenger and freight) trains were bombed and machine gunned a number of times on the Canton-Hankow, Canton-Kowloon and Sunning railways. It was worthy of note that such attacks on the Canton-Howloon line were all made on trains bound south for Hong Kong which would have been most unlikely to have been carrying troops or munitions. It was rumored, however, that one of the attacks was made because the Japanese were under the mistaken impression that General Ch'en Chi-t'ang was travelling on the train.

# (i) Further Bombing of Air Bases and other Military Objectives

In the course of their raids on the railways or in separate operations, Japanese planes also did considerable bombing of Chinese air bases and other military objectives in addition to their operations against the Bosca Tigris Forts and Whampos establishments already described. The military airplane factory/adjacent airfield

<sup>\*</sup>Telegrams included in references for Item f above.

airfield at Shiuchow were very severely bombed in a series of raids on the 6th, 7th, 9th, 14th and EEnd to E4th, inclusive. An American employed at the factory stated on Movember 1st that a total of over 150 bombs were rained on the factory in these raids; that only three bombs hit the factory, none of which did serious damage; and that the factory was still continuing to function, though with somewhat reduced output. He confirmed, however, that the raiders had badly damaged the adjacent airfield hangars, as well as shooting down two and damaging another of the four Chinese Curtiss-Hawk planes stationed at the field.

Other military air bases which were repeatedly raided included the Tienho and White Cloud Mountain serodromes at Centon, and those at Chungfa (從化), 30 miles northeast of Canton and Faksha (白沙), a few miles north of Bocca Tigria Forts. While obtained information regarding the consequences was very meagre, it was generally believed that the sirfields. with the possible exception of that at Chungfa, had already suffered heavy demage as a result of raids in September and that those in October succeeded in fairly well completing the demolition of the few remaining plane housing facilities in Ewengtung. According to a REUTERS despatch from Shanghai under date line of October 11th, Japanese Naval Headquarters on that day announced completion of the destruction of the Chinese air forces in South China, and it was noted that no raids on Kwangtung eviation centers, other than the Shiwshow factory, were reported after that date (during October).

Other military objectives attacked included the Arsenal and Yin Tong military training establishments in the north-eastern suburbs of Canton, Fourth Route Army Headquarters at White Cloud Mountain (Canton) and the arsenal and small arms factory at Fakong (港江), 50 miles north of Canton on the

Canton-

Canton-Hankow Railway. According to German sources, over sixty bombs were sixed at the Pakong objectives, of which only one scored a hit and did very minor damage; but other sources reported that the factory had nevertheless been compelled practically to cease operations.

#### (j) Palse Reports of Raids in Kwangsi\*

Emeational stories that Japanese planes had raided the Kwangsi cities of Suchow, Eweilin and Manning on October 15th and 17th, with hundreds of resultant civilian casualties, were carried by several local papers. Local official sources at first stated that such raids had occurred, but later admitted that the reports were unfounded. It appeared, however, that a few Japanese planes did some reconncitring over Ewangsi on one or two occasions.

#### (k) Destruction of Non-Combatant Life and Property

The city proper of Canton was not raided, a circumstance which was generally attributed to the storm of indignant world press publicity which followed the September raids on the city. Aside from this, however, the Japanese air forces showed no signs of any greater regard for non-combatant life and preparty than they had previously displayed. From a study of reports from various sources, it appeared that civilian losses from air raids during the month totalled at least 500 persons killed and over a thousand injured, in addition to a great quantity of buildings and other property demolished or damaged. The heaviest losses were reported to have occurred at Fakong,

Sheklung,

Telegram of October 15, 5 p.m.; 20, 5 p.m. Frelegrams included in references for Item f above. Despatch No. 90 of November 4, 1937.

Sheklung, and Shiushow where a reliable American resident reported that at least one tenth of the town had been literally razed to the ground.

A large proportion of these losses were of course unintended consequences incidental to the bombing of railway lines and military objectives. Aside from those which could be excused on the ground of ill chance and poor marksmanship, however, it was unquestionable that substantial losses of civilian life and property were caused by deliberate attacks on targets other than railways and other militarily justifiable objectives. The raiding of the railways was accompanied not only by the bombing of railway stations and bombing and machine gunning of passenger coaches, as cited above, but also, according to reports from numerous sources, by attacks on various non-military objectives in most of the larger railway towns. Moreover, instances were frequently reported of attacks on river passenger junks, machine gunning of sivilian crowds\* and the bombing of interior towns and villages in the Delta of no known strategic importance. While some of the reports undoubtedly were not well founded or concouled essential facts, private reliable sources supplied testimony which established the invaders' guilt beyond reasonable doubt in many instances and proved that terrorisation of the populace was one of the objects of the Japanese air raiding.

#### (1) Chinese Defence against Air Raids:

Considering their most inadequate equipment, the Chimse air defense units gave a good assount of themselves. Assording to information from oscidentals employed by and otherwise in close contact with Chimese aviation organizations at Canton and Shiushow, the Kwangtung air force, since the beginning of hostilities in the Province in September, could never have had

MOLE

See Despatching. 90 of New. 4 regarding raid on Summit. A reliable American reported a similar case at Shiuchow.

more than about a domen fighting planes at its disposal. including a number understood to have been sent from Manking about the beginning of October"; and the Japanese had, by the end of October apparently succeeded in putting out of commission a total of only seven Chinese planes, of which three or four could be and were being repaired. All the other planes formerly stationed in Ewangtung, as well as those which might have been imported through Hong Kong or manufactured at Shiushow since commencement of hostilities. were, it appeared, sent to Nanking or - in the case of training planes - to Liuchow, Kwangsi, for use at the training school there. According to the same sources of information, up until early October when the Japanese commenced to send groups of very fast pursuit planes to protect their bombers, the Kwangtung Air Force had done remarkably well and had undoubtedly caused the Japanese more losses in planes than they had themselves sustained. They had accomplished an outstanding piece of work on September 28th when their Shiuchow unit, consisting of four Curtiss-Hawks, had engaged eight Japanese bombers and shot down three of them. On a subsequent raid in early Ostober, however, the Japanese appeared with a larger fleet of bombers and six pursuit planes faster and more maneuverable than the Chinese planes, and after a gallant but hopeless fight the Shiuchow unit had two of its planes shot down and a third damaged. In the face of subsequent raids by large groups of bombers and pursuit planes, the Chinese force, depleted to probably less than six planes for all Kwangtung, found it useless to take the air.

The

<sup>\*</sup>Telegram of Cotober 4, 6 p.m.

4567



# TELEGRAM RECEIVED

EG

FROMY

Tsingtao via N. R. Dated January 12, 1938 Rec'd 1:20 p.m. Jan. 13th

Secretary of State,

Washington.

January 12, 5 p.m.

Complete peace and order naturally prevail. Japanese authorities have informed Commissioner of Customs there will be no interference with operation of maritime customs but naturally he must recognize that new regime exists and that further examination will be worked out. Chinese post office also operating normally with the exception of Japanese censors.

Proclamation issued by Japanese Commander-in-Chief of naval landing forces advised international populace to continue their peaceful pursuits but they must strictly observe and obey Japanese military orders and proclamations.

Sent to Peiping, Hankow.

SOKOBIN

KLP:RR

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793.94/12074



#### **LEGATION OF THE** UNITED STATES OF AMERICA

No. 69

Subject:

Belgrade, December 20,

1937 · DIVISION OF EUROPEAN AFFAIRS Yugoslav Comment upon the Far Eastern Situation.

In UdA

GEPARTMENT OF STATE

The Honorable

The Secretary of State. Washington.

Sir:

I have the honor to report that the Yugoslav press has in general devoted an extraordinary amount of space to the Far Eastern situation during the last week especially since the Japanese attack on British and American vessels in the Yangtse, dealing with the subject matter in a tone somewhat hostile to Japan and particularly sympathetic towards the United States.

In addition I have to report that I have been the recipient of many expressions of sympathy over the sinking of the U.S.S. Panay from Yugoslav officials, from Yugoslavs

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in private life, and from the majority of the members of the diplomatic corps. Individually and personally even the members of the Italian and German Legations have made non-flattering remarks about the third member of the Rome-Berlin-Tokyo triangle.

However, as the present Yugoslav régime is inclined to follow the lead of Rome and Berlin in matters of this kind, the <u>Samouprava</u>, which is the official organ of the régime, has published an editorial which is faintly pro-Japanese and definitely anti-Soviet:

"While the European press anxiously asks what will be the repercussions of the bombardment of the Panay, it would appear that the great power, Japan, does not share this anxiety. Quite to the contrary, Japan is solving in a systematic and mathematical manner, and without fear, the problems in the Far East. The Japanese commanders are already concentrating the fleet and army before the second port of China, Canton. When this new phase is ended, there will be a new aspect to the Far East, one which is not yet foreseen in Europe. Now the master of Shanghai, Japan will exercise an absolute control over the commerce of China with foreign states. These serious developments are unfolding before European eyes and to the consternation of Moscow. The solemn entry into Nanking of the Japanese troops announces to the entire world the birth of a formidable power with which the world must henceforth reckon, especially those spreaders of disorder."

Respectfully yours,

Charles S. Reed II Chargé d'Affaires ad interim

File No. 710 CSR/FC



#### LEGATION OF THE UNITED STATES OF AMERICA

No. 77

Belgrade, December 27, 1937.

Subject:

Far Eastern Affairs.





The Honorable

The Secretary of State, Washington.

Sir:

As of possible interest, and in continuation of previous despatches relating to Yugoslav interest in the situation in the Far East, I have the honor to summarize a recent editorial in the Belgrade Politika, an editorial which was given more than usual prominance.

The writer envisages the possibility of a joint demonstration by Great Britain and the United States against Japan. He notes that world attention is centered upon the events in the Far East and states that recent incidents, especially the attacks on foreign interests, evidence

93.94/12076

evidence the critical tension prevailing in that part of the world. He stresses that the official démarches were unanimously supported by public opinion. "The impression which prevails is that the attacks against the lives and properties of foreigners are purposed to compromise the situation of the foreign powers in China." He then remarks that it would appear that the attacks against foreign warships represent the commencement of the realization of the Tanaka program, which seemed so absurd to conservative British opinion. "The first point of this program was the conquest of China and the weakening of British power in the Far East." He then goes on to say that Great Britain and the United States are now aware of the danger but that from that point to one of action is a great step. "So the Conference at Brussels was obliged to conclude." He asks what can Great Britain and the United States do--war, economic sanctions, a naval demonstration? "War is excluded as the psychological and material conditions are lacking and moreover the Washington point of view differs greatly from the political concepts of the Middle West. The British and American naval bases are too distant to permit a large scale action. As for a continental army--that would result in the participation of the Soviets, which Great Britain would not permit, fearing too great an influence for the Soviets in Asia." He is of the opinion that, although economic sanctions would probably be effective, Anglo-American commercial circles are opposed to this measure, and that there is still too great a divergence of opinion between Great Britain and the United States to permit a concerted naval demonstration. He concludes that one should not expect on the part of Great Britain or of the United States a firm decisive

action

action against Japan but "that does not signify, however, that their attitude is purely negative."

Yugoslav interests in the Far East are insignificant and accordingly Yugoslav reaction is relatively impersonal. In the government-controlled press there can be no great outcry against Japan—as Japan is linked with the Rome—Berlin axis, towards which the present regime is somewhat inclined. Among the peoples, however, I find a great deal of sympathy for China, for Serbian psychology is generally for siding with the "under dog".

Respectfully yours,

Charles S. Reed II Charge d'Affaires ad interim

File No. 710 CSR/FC



#### LEGATION OF THE UNITED STATES OF AMERICA

No. 83

Belgrade, December 30, 1937.

Subject:

Editorial on the Far Eastern Situation.

DIVISION OF EUROPEAN AFFAIRS JAN 17 1938 W. G DEPARTMENT OF STATE

793.91



1938 JAN 13



The Honorable

The Secretary of State, Washington.

Sir:

With reference to previous despatches concerning the situation in the Far East and especially in regard to the tension which developed following the Japanese attacks on foreign warships on the Yangtze, I have the honor to enclose herewith an excerpt from a co recent editorial in the Samouprava, the publication of the Government Party. The editorial in commenting

upon

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upon the easing of the tension in the Far East takes the occasion to attack Russia and the Soviet policy.

Respectfully yours,

Charles S. Reed II Chargé d'Affaires ad interim

Enclosure:

Editorial from Samouprava dated December 29, 1937.

File No. 710 CSR/FC

Enclosure to Despatch No. 83 dated December 30, 1937, from the American Legation, Belgrade.

Editorial from the Samouprava dated December 29, 1937.

#### THE DANGER IS PAST

"A danger existed, a danger which is not yet completely removed, but which, by the liquidation of the conflict between Washington and Tokyo has become greatly lessened. By the infringement upon the spheres of interest of the great European and American powers in China, a development of the conflict was feared which doubtless would have been a catastrophe for the peace of the world.

"Mr. Roosevelt was obliged to use all his skilfulness to calm the aroused feeling in America after the incidents which happened on the Yangtze at the same time paying due attention to the susceptibilities of the Japanese. One should note that Japan acted wisely in showing extreme docility and in accepting all the demands of the Thite House. This conflict is liquidated, and one may expect, save in the event of new complications, that the Sino-Japanese conflict will remain localized.

"Soviet Russia which so often paraded a warlike spirit through the words of its Red dictators,
has shown clearly in the Sino-Japanese conflict
its impotence for a sustained action outside the
frontiers of Russia. The Red Army and all its
Marshals are necessary for Stalin to protect his
life from the discontent of 200 million Russians.
For ventures against its neighbors, Moscow has today neither the moral nor the psychological supportMoscow is not certain that the peoples of Russia,
if mobilized, would not turn their arms against
the tyrants and the dictators. That is why Russia
contemplates with tranquility the occupation of
China, although its interests are indeed infringed
upon. Its assistance consists of contributing
communist 'tracts' in China, disorganized and
powerless, and to give advice as well as supplying
officers and instructors. That is too little when
it is a question of resisting the attack of more
than forty Japanese divisions provided with the
most modern armament.

"As one sees it, the situation in the Far East, although not favorable, should not arouse great uneasiness, since the signs are multiplying that the intervention of Germany for the conclusion of peace will be crowned with success and that Chang Kai Chek will agree to negotiate with Japan which

will at the same time indicate the end of the war.

"On the other hand, when one considers the military situation in China, one may affirm that direct negotiations between Tokyo and the Chinese Government would be the best solution of the situation. In this way China would succeed in keeping at least a shadow of its independence as well as a paltonic protectorate in the regions which Japan desires—this latter being the origin of this brief but bloody conflict."

# TELEGRAM RECEIVED

EDA

COMSOPAT

FROM

January 13, 1938

Received 9:48 p.m.

ACTION OPNAV Info Cincaf

Administrative 2nd brigade USMC Comsubron 5 Comdesron 5

Comyangpat

Amambassador Chine
USS MARBLEHEAD

Alusna Peiping

793.94

Oll2 Three air raids northeast vicinity Canton.

Other South China ports quiet 2000

SMS

JAN 1 7 1938 FILED

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### TELEGRAM RECEIVED

EDA

PINS SILVI 10

FROM BRIGADE USMC

January 13, 1938

Received 4:54 p.m.

Action: Opnav:

Opnav Info

Amconsul Shanghai, China

Comsubron 5 Comdesron 5 Comyangpat Comsopat

Amambassador China USS MARBLEHEAD Alusna Peiping my file

793.94

8613 Japanese troops moving westward from Tsingtao and Eastward from Weihsien encountering feeble resistance. Force which captured Tsining corssed Grand Canal driving southwestward with Kweiteh as objective making position Chinese concentrations vicinity Hsutchow precarious. Four Chinese divisions transferred from central Anhwei to Kiukiang Hankow area 1830

SMS:NPL

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# TELEGRAM RECEIVED

EDA

GRAY

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FROMTSINGTAO VIA N.R.

Dated January 13, 1938

Received 3:53 p.m.

Secretary of State

Washington

fu

January 13, 11 a.m.

Japanese Consul General called on me/yesterday.

He indicated plainly that the Japanese would immediately and energetically commence the task of economic reconstruction. 150 leading Japanese industrialists and engineers have already landed to restore public services. The general Japanese community will commence returning about January 20.

The Consul General gave the impression that the Japanese, while desiring peace, were puzzled as to how to achieve it. He stated that the Generalissimo was surrounded by Communists who would prevent him from making peace.

The Consul General seemed apprehensive about the possible presence of "plain clothes armed men" in the city.

Sent to Hankow, Peiping.

SOKOBIN

WWC:SMS

F/FG FILED JAN 1 7 1938

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Return to FELL

#### TELEGRAM RECEIVED

EDA

FROMRAY

COPIES SENT TO

SHANGHAI VIA N.R. Dated January 13, 1938

Received 4:39 p.m.

Secretary of State

743.94

Washington

73, January 13, 7 p.m.

Following from American Embassy at Tokyo: "RUSH• January 13, 4 p•m•

Your 57, January 7, 11 p.m., and previous.

Area free from attack at Hankow.

Japanese Foreign Office has informed this Embassy as follows: "Japanese forces will not attack the said area if no Chinese forces are within it, if Chinese forces make no military use whatever of it and if the movements of Japanese forces outside the area are not hindered from within it.

It is to be noted that by the riverfront of the area is understood only the river bank itself, not extending either to the line in the middle of the river or to the opposite shore". Please repeat Peiping, Hankow, and Department. Grew.

GAUSS

SMS:NPL

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TELEGRAM RECEIVED

EDA This telegram must be closely paraphrased before being communi-cated to anyone (D)

OF 1938 Dated January 13;

MK. I

FROM Received 3:15 p.m. SECILETANY GIST

PARIS

Secretary of State

JAN 1 4 1938 Washington NOTED

63, January 13, 6 p.m. (SECTION ONE).

STRICTLY CONFIDENTIAL FOR THE SECRETARY.

18.19.98 DEPARTMENT Dr. Tingfu Tsiang recently resigned as Chinese Ambassador in Moscow and will return to China next week via Singapore to become Secretary to the Cabinet called on me this morning and made a number of statements which seemed to me important.

> He said that he was convinced that the Soviet Union would refuse to enter the Sino-Japanese conflict under any and all conditions. He believed that internal difficulties in the Soviet Union were such at the present time that the Russians would be afraid to attack the Japanese even if the Japanese army should be greatly weakened by a prolonged Chinese resistance.

HE said that Litvinov had stated to him repeatedly that the Soviet Union would declare war at once on Japan if England, France and the United States should declare war on Japan. He said that he did not believe that this was true and that in his final conversation with Litvinov he had pinned down Litvinov and compelled a reply

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0, diesesse NARS, Date 12-18-15

EDA - 2 - #63, January 13, 6 p.m. from Paris Section 1.

a reply. He stated that he had asked Litvinov if he meant the Soviet Union would enter war against Japan if any one of the three nations named above should go to war with Japan or only if all three together should go to war with Japan. Litvinov had become completely evasive and finally had made it clear that the Soviet Union had no intention whatsoever of going to war with Japan under any circumstances. (END SECTION ONE)

BULLITT

HPD

EDA
This telegram must be closely paraparased before being communicated to anyone (D)

PARIS

FROM Dated January 13, 1938
Received 3:35 p.m.

Secretary of State
Washington

63, January 13, 6 p.m. (SECTION TWO.

Dr. Tsiang stated that on the other hand the Soviet
Union was being much more generous in its support of
China by munitions and supplies than he had expected.
Russia had at first demanded gold from China in payment
for supplies, but when the Chinese had insisted that they
were unable to pay gold the Russians had agreed to supply
them with everything possible on credit. The only
payments that the Russians were receiving from China were
in the form of antimony and other minerals which the trucks
carrying war supplies to China brought back with them on
their return journey.

Dr. Tsiang stated to me that most of the Russian supplies to China were not going overland but by sea, especially by way of Hong Kong and Canton, although the French railroad from Indo-China was carrying to full capacity.

The overland route from Alma Ata in Russian Turkestan

EDA - 2 - #63, January 13, 6 p.m. from Paris Section 2.

to Urumchi in Sinkiang and thence to Lanchow, Sian and Chungking was now a thoroughly passable motor road but it took the best trucks under the best conditions, with no delays or accidents, at least 18 days from the Russian border to Chungking. This made the problem of supplying gasoline almost insuperable and the Chinese had now organized camel caravans to carry supplies of gasoline for the trucks.

BULLITT

CSB

This telegram must be closely paraphrased before being tommuni cated to anyone (D)

<del>- P</del>ARIS

FROM Received 3 p.m.

Secretary of State

Washington

63, January 13, 6 p.m. (SECTION THREE)

Dr. Tsiang stated that the whole problem of Chinese resistance was one of obtaining military supplies. He believed that the Soviet Union would continue to furnish all the supplies possible on credit. It was, however, clear that the Japanese might soon blockade the main route of supply by way of Hong Kong, Canton, and Hankow. They might also be able to frighten the French into closing the route of supply by way of French Indo-China. This would leave open only the extremely difficult overland route from Alma Ata to Chungking. It would be impossible to install even a field railway on this route and as a result it might become a matter of life and death for the Chinese to find some other route to supply Chiang Kai Shek's (retreat?) armies if he should be compelled to repeat to Szechuan.

Dr. Tsiang stated that there was another excellent route which it might be possible to use: The route by way of Burma. The British railroad from Rangoon to Mandalay and thence to the border of Yunnan had been completed to within two miles of the Chinese frontier.

BULLITT

SMS:CSB

EDA
This telegram must be closely paraphrased before being communicated to anyone (D)

FROM PARIS

Dated January 13, 1938
Received 3:50 p.m.

Secretary of State
Washington

63, January 13, 6 p.m. (SECTION FOUR).

The road from that point to Yunnanfu was an old one but could be put in order comparatively easy for the transit of modern trucks. Dr. Tsiang stated that he was on his way to London this evening to attempt to make arrangements for the supplying of Chiang Kai Shek's armies by this route. He stated that the roads from Yunnanfu to Chungking were thoroughly passable. He considered that this route by way of Burma might become China's life line and hoped that the British Government would do everything possible to assist in the supplying of China through Burma.

In the course of our conversation Dr. Tsiang said that China was still receiving large quantities of military supplies from Germany and Italy and added that the German military mission in China so far as the Chinese could discover was still working loyally and efficiently in assisting Chiang Kai Shek to direct the Chinese armies.

(END OF MESSAGE).

BULLITT

SMS:CSB

Division of European Affairs Division of Far Eastern Affairs Division of American Republics Division of Near Eastern Affairs

Office Symbol	Office Title
8	Secretary
υ	Under Secretary
σ	Counselor
AH	Assistant Secretary
A-S	Assistant Secretary
A_W	Assistant Secretary
PA/H	Adviser on Political Relations
PA/D	Adviser on Political Relations

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January 13, 1938, 6 p.m.

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NO. 1093

RECEIVED AMERICAN CONSULATE GENERAL

Shanghai, China December 3, 1937.

DIVISION OF COMMUNICATIONS AND RECORDS

SUBJECT:

Shanghai Chinese Vernacular Editorial Comment during November on the Sino-Japanese Difficulties and the Attitude of the United States.

THE HONORABLE

THE SECRETARY OF STATE.

WASHINGTON.

SIR:

I have the honor to enclose summaries of the editorial comment on the Sino-Japanese difficulties, which appeared during November in the SHUN PAO and SIN WAN PAO, the two leading independent Chinese vernacular newspapers of Shanghai. Realism tinged with cynicism characterized the utterances in regard to the Brussels conference: "To get a loach out of a cat's mouth" is no more difficult than to get Japan out of China by mere talk of right and justice, therefore "the failure of the Nine Power Conference is naturally not a matter of surprise but its failure to such an extent seems to be beyond one's expectation". Lack of accomplishment came about "because the reinforcement was not equipped with big guns and merely carried pigeons when it arrived at Brussels. The big gun had already been fired at Chicago. The two pigeons thus despatched had been captured by the huntsmen and had been roasted and eaten". "There were two reasons for the failure of Mr. Roosevelt, namely (1) the indifferent attitude and non-cooperation

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of Britain and (2) the hindrance of the Isolation Party in his country. . . Hence cooperation became hopeless as Britain and the United States passed the 'buck' to each other. Since Britain and the United States could not cooperate, Italy's attitude became even stronger. France complied with the wishes of Britain. Soviet Russia was not a signatory to the Treaty. The Nine Power Conference was thus gloomily adjourned without a unified opinion being reached. Following the failure of the Conference, Mr. Davis felt discontented and returned direct to the United States. He declined the invitation for a visit to London under certain excuses. It may thus be seen that those two Powers cannot cooperate. As the Nine Power Conference has met with failure to such an extent, we can easily infer the destiny of any other conference." (SIN WAN PAO, November 28, 1937.)

The precipitate withdrawal of Chinese troops from the Shanghai area on November 12th received little comment, probably largely because prudence dictated such course. The expediency of "fighting to the death" was advocated and it was stated that greater respect from China's friends would result from such course.

Comment on European diplomatic jockeying was as follows:

"In addition to the open group movements among the nations, such as the assembly of the League of Nations and the Nine Power Conference, the personal conferences among international representatives behind the scenes have been particularly active during the past few days.

(1) If the situation in Europe can be well maintained as a result of rapprochement between Great Britain, France and Germany, it will also be easier to solve the Far Eastern problem. (2) Anglo-German negotiations regarding the question of colonies are proceeding satisfactorily while France has compromised with Germany in regard to the former's colonies. (3) The French Foreign Minister will visit Poland shortly to discuss the revival of the old tripartite alliance. (4) The visit of Ambassador Bullitt to Poland is allegedly designed to prevent

Poland from participating in the Anti-Comintern Pact. (5) Germany has apparently become an international political center. Recently Soviet Russia has made a great compromise in regard to the Spanish problem and is inclined to exercise the greatest care in dealing with the Far East. French Rightist papers have reported that Stalin is no longer interested in the European problem." (SIN WAN PAO, November 22, 1937.)

"While it appears that the German-Italian-Japanese Anti-Comintern Pact can relieve Japan from her melancholy isolation, in fact the combined force of those three countries cannot compete with the force of all peace-loving countries. Furthermore, the interests of the three countries differ from each other. How can such a combination last long? At present, it is true that Japan can use this Pact as a weapon to cause peaceful countries in the world to be afraid of the spread of the war peril and to adopt an onlooker's attitude toward the fate of China. Can such a situation remain unchanged forever? The recent diplomatic activities of Great Britain in Europe have made a remarkable success. If Britain can succeed in tranquillizing Europe, European and American Powers will then be able to devote their full energies to deal with the Far Eastern crisis. Under no circumstances should European and American Powers overlook the Far Eastern crisis." (SHUN PAO, November 23, 1937.)

Respectfully yours,

C. E. Gauss American Consul General

Enclosure:

Editorial summaries.

RPB:DTM

In quintuplicate to the Department Copy to Embassy, Hankow Copy to Embassy, Peiping Copy to Embassy, Tokyo

#### SUMMARY OF CHINESE PRESS EDITORIAL COMMENTS

## OPENING OF BRUSSELS CONFERENCE

The Nine Power Conference opened at Brussels today. This Conference has been convened upon recommendation of the Far Eastern Advisory Committee of the League of Nations. Neither Great Britain nor the United States Nations. was willing to act as the convening Power. Therefore Belgium, the model neutral country in the world, has assumed the responsibility for issuing invitations, Therefore. and Brussels has been designated as the seat of the Conference. The invitations have also been extended to Powers other than those Signatories to the Nine Power Treaty. Such a complicated situation preceding the Conference is quite worthy of study by the public. Such a complicated situation preceding British Prime Minister Chamberlain has stated that the object is to seek for peace, but not to expand the The Isolation movement in the United States a. As China pays full respect to the Nine warfare. has revived. Power Treaty, her delegate, Ambassador Koo, has announced readiness to accept mediation that may respect the Treaty. However, since Japan has refused respect the Treaty. However, since Japan has refu to participate, it is almost quite certain that the forthcoming Conference can hardly succeed. The future of China will be either that of a second of Abyssinia, or that of a second Japan following the Russo-Japanese War. In short, although the atmosphere of assisting China is widely prevalent among international journalists and laborers, to whom we should be heartily grateful, some statesmen still unavoidably cherish the following contradictory concepts: On the one hand they would like to respect China's independence and sovereignty as they recognize that Chinese people should inherit their ancestors; estate, while on the other hand they are afraid that Chinese territory will eventually be annexed by others.

(SIN WAN PAO, November 3, 1937.)

## THE NECESSARY RECOGNITION OF THE BRUSSELS CONFERENCE BY THE PEOPLE

It has also been expressly admitted by the countries which convene the Nine Power Conference at Brussels that this Conference will not be able to accomplish something which may be beneficial to the outlook for the peace in the Far East. Japanese militarists who talked about the Great Wall as their boundary six years ago when they first occupied the Three Eastern Provinces have now moved their boundary to the Yellow River. If one desires to compel them to withdraw by means of a commonplace talk of the right and justice, it would mean exactly the same as what is described by the proverb "To get a loach out of a cat's mouth". How can this be right? During the Russo-Turkish war in the past, Russia was forced by the international strength in the Berlin Conference

to return many of her occupied places to Turkey.
Russians were then compelled to withdraw because of
Bismarck's dominating action in the Conference and of the British determination to fight in case the Conference failed. Also, Japan agreed to accept the request of three Powers for withdrawal of her troops when she occupied Liaotung Peninsula some time ago; at that time Russia massed large fleets on Far Eastern Sea with the intention of cutting off the retreat of Japanese armed forces. An international mediator should make up his mind that in case his mediation fails he would be prepared to fight; otherwise, he can never make one of the contending parties submit to his mediation. According to the present circumstances, with the participation of the powerful elements such as the United States and Soviet Russia the mediation influence appears to be stronger than the effort made by the League of Nations in connection with the Manchurian problem. However, the Japanese also have friends abroad and they are not so isolated as they were six As regards the economic blockade as a years ago. means of sanctions, Soviet Russia may possibly raise no objection thereto, the Isolation Party in the United States is still powerful, and Great Britain is attemping states is still powerful, and Great Dilvain is to reconcile the situation brought about by her own recole in boycotting Japanese goods. Since they wish people in boycotting Japanese goods. Since they to preserve the Far Eastern market through pacific measures, they cannot but take such perfunctory measures. Having disclosed such a weak point, the Japanese have declined the invitation in their government's name. During the Russo-Japanese war, the President of the United States mediated peace between them. At the time of the Sino-Japanese war in 1894, Mr. Denby, then American Minister, first took the trouble to mediate. As the five northern provinces are in a critical stage, not only should the military men of the entire country have the courage and determination to talk about fighting but not about peace, but also the people throughout the country should be prepared to fight till death and should not consider the mediation proposal as a comfort or relief.

(SIN WAN PAO, November 4, 1937.)

## BRUSSELS CONFERENCE AND INTERNATIONAL SITUATION

The peace in the Far East does not rely upon the abstract provisions of the Nine Power Treaty, but does depend upon the thorough awakening of the various peace-loving countries. This is the recognition we should have in regard to the Brussels Conference. On the basis of this recognition, we are of the opinion that the international situation obtaining in the Brussels Conference is somewhat optimistic. First, Great Britain and the United States who are leaders in the Conference have indicated their close cooperation. We know that the Anglo-Saxon people are full of heroic spirit, and hope that these two great Powers will do boldly what is righteous after they have assumed moral duty. Second, the remarks made by Soviet Russia and France in the

Conference

Conference are even more positive and are apparently designed to push forward their plan of collective security. Third, Dr. Wellington Koo's solemn speech can break up all sorts of hallucinationsheld by those who are in favor of the aggressor. Fourth, Japan's refusal to participate in the Conference and her conclusion of an Anti-Communist Pact with Italy make the various peace-loving countries feel more disheartened and more easily recognize the necessity of collective security. In short, although the duty of the Brussels Conference per se can be nothing more than mediation or moral sanctions, we should not feel disappointed from the point of view of the transitional feature in the course of development of the international situation. It is only necessary for us not to slacken our efforts; then a favorable international situation will eventually be developed step by step.

(THE SHUN PAO, November 5, 1937.)

## MEDIATION

In the opening of the Nine Power Conference mediation was first mentioned. Upon hearing this, the Chinese people have entertained the following concepts: (1) Those who have great 5 fears in this matter are afraid that the various countries will force us to yield in order to settle the trouble; (2) Those who hate peace talk consider a peace move as an act of submission; (3) Those who harbor suspicion suspect the various countries of having some secret motives behind the scenes; (4) Those who are afraid that this action may cause Chinese troops to slacken their efforts, consider that the spirit of our soldiery will be lowered on account of such suspicion; (5) Those who consider this as a ray of hope feel quite optimistic. As regards the first point, it is quite clear that the various countries are advocating justice and are sympathetic with China although their diplomatic representatives have had to make "slippery" or non-committal statements; as the Conference is principally designed to uphold the sanctity of the Treaty, absolutely it cannot be right that the various countries will compel China to yield. Second, as China is fighting on defensive and is not an aggressive country, she is prepared to accept peace at any time the integrity of her sovereign and territorial rights can be safeguarded against aggression. Third, the highest Chinese authority has expressed his willingness to accept any measure of peace as long as the integrity of Chinese sovereign and territorial rights can be preserved. Fourth, it can never be right that Chinese warriors in the front will slacken their efforts upon hearing the news of mediation. Fifth, any mediation term which exceeds China's lowest limit will be not only unacceptable to China but also cannot be suggested by the various countries; on the other hand, any terms which do not constitute infringement of the spirit of the Treaty will doubtless be rejected by Japan. How can they mediate - 4 -

with Japan's refusal to participate in the Conference? China has no alternative but to put up strong defense and vigorous fight in order to seek for peace. It is too premature to feel optimistic toward such mediation.

(SIN WAN PAO, November 5, 1937.)

### NEW MOTION

Although it is difficult to conjecture the contents of Mr. Eden's new motion to the Brussels Conference, in view of the present circumstances it is feared that such motion can hardly produce any good result. perfect confidence in the Nine Power Conference, and feels sure that the various Powers will exert every effort to uphold the sanctity of the Treaty. China's delegate, Ambassador Koo, has therefore intimated his willingness to accept any mediation proposal which is not in violation of the spirit of the Treaty. However, as Japan refuses to participate in the Conference, how can they proceed with mediation? Their second invitation was very carefully worded and apparently also meets with failure. Since Japan still trifles with the Conference as before, how can Mr. Eden's new motion do any good? In solving a problem it is necessary for one to have determination to remove obstacle; then progress may be made smoothly. Now the Powers cannot deliberate upon a fundamental plan but merely resort to appeals. How can we expect such appeals to be effective as the deciding power rests with the other party? As long as this basic principle remains unchanged, any new proposals or motions of similar nature will likewise fail. Since the opening of the Nine Power Conference, the Chinese people have fully realized that their country can only be saved with their own strength. If the Chinese people can cope with the situation with pain and toil, the tendency of the Nine Power Conference may possibly be altered.

(SIN WAN PAO, November 11, 1937.)

## SHANGHAI SETTLEMENT AND CONCESSION QUESTION

Since the Chinese army has temporarily withdrawn from the vicinity of Shanghai for tactical reasons, land communications between the Settlement and Concession at Shanghai and the interior have been cut, and the inhabitants in the Settlement and Concession unavoidably have great anxiety about their political safety. Although the areas surrounding the Settlement and Concession at Shanghai are completely under the enemy's military occupation, various Chinese government organizations still exist in the Settlement and Concession, and the Settlement and Concession authorities are strictly maintaining their inherent authority. We believe that might absolutely cannot conquer everything, and that world justice and peace are always the irresistible force. Particularly at Shanghai in which international relations are extremely complicated, armed

force

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- 5 -

force can never solve political questions. Although the contents of the discussions recently held by the British, american and French delegates at Brussels on the Shanghai Settlement and Concession question are unknown, these three great Powers will undoubtedly adhere firmly to the principle of respecting China's sovereignty; otherwise, these countries will not be able to protect their interests in China.

(THE SHUN PAO, November 13, 1937.)

## THE FUTURE BRUSSELS CONFERENCE

Since the invitations have failed to persuade Japan to participate in the Brussels Conference, how can a declaration produce any successful result? As the treaty is entitled the Nine Power Treaty, each signatory has the responsibility of upholding its sanctity. It is really beyond one's expectation that the action of the other Powers depends upon the attitude of the United States and that the various Powers are said to be unvilling to go ahead should the United States render no immediate help. As the principal members of the League of Nations are attending the Nine Power Conference, and if they have reached a determination to uphold justice, why cannot they show their determination at the Brussels Conference? If they have reached no determination, how can the League of Nations do any good if the case is referred back to it? As the various countries will act according to the attitude of the United States, how can they take a joint action in the League of Nations since the United States is not a member of it? Although the delegates of the various countries have made solemn expressions of concern, the various countries have not decided any concrete measures to remove the deadlock. Whether or not all the international treaties will have any value and whether or not any justice will remain with mankind will entirely depend upon this Conference.

(SIN WAN PAO, November 14, 1937.)

## JAPAN'S FURTHER REFUSAL TO PARTICIPATE IN THE BRUSSELS CONFERENCE

Under the present war situation, even if mediation is successful it will hardly be favorable toward China. So far as the world situation is concerned, Japan's strong diplomatic attitude is absolutely not a pessimistic feature. Furthermore, such attitude adopted by Japan manifestly shows her firm determination to gain absolute control of China and also can compel Britain and the United States to hasten their efforts of cooperation and to render China effective assistance. In view of the general circumstances, Britain, the United States, France and Soviet Russia should have arrived at a mutual understanding to some extent. In consideration of their own interests, Britain, the United States and other countries can no longer take perfunctory measures to deal with the present problem. China's slight failure in military operations does not adversely affect the views of the various great friendly Powers toward her because their sympathy toward

China

- 6 -

China is not based upon the development of her armed force but upon the high spirit of the Chinese people.

(THE SHUN PAO, November 14, 1937.)

## DECLARATION CONDEMNING JAPAN

This declaration which has been approved by eleven Powers in the Brussels Conference is really powerful. Japan's attitude toward the world is exactly the same as that adopted by her toward China. She endeavors to localize the war so that she may annex China bit by bit. Therefore she always claims that this "conflict" merely concerns China and Japan. However, this sort of strategy can hardly make foreign Powers keep patient any longer when it reaches a certain limit. The Sino-Japanese hostilities as they are at present are about to invite positive action from the peaceful nations in the world. The purport of the declaration of the Nine Power Conference condemning Japan is that the critical situation created by Japanese military men in the Far East has already broken through the limit of endurance of the various Powers.

(THE SHUN PAO, November 15, 1937.)

## THE COMMON ATTITUDE

The so-called "Common attitude" to be adopted by the Powers attending the Brussels Conference is apparently still a puzzle at present. However, a common attitude created after moral condemnation should under any circumstances be more or less powerful against Japan. If the foreign Powers can enforce economic sanctions, a great effect can certainly be produced and we can also feel satisfied. From the general situation in the world we can realize that the international peace force has established a strong front. The reason why a few great Powers are still taking perfunctory measures in dealing with the aggressive force is that they are afraid that a world war may be brought about if they take too radical action. Nevertheless, their attitude will gradually become more positive as long as China continues her resistance. It is only necessary for us to continue our resistance in a fearless and determined spirit; then the peace front can decidedly develop its greatest stragth.

(THE SHUN PAO, November 17, 1937.)

## RECENT DIPLOMATIC MOVEMENTS AMONG THE NATIONS

In addition to the open group movements among the nations, such as the assembly of the League of Nations and the Nine Power Conference, the personal conferences among international representatives behind the scenes have been particularly active during the past few days. (1) If the situation in Europe can be well maintained as a result of rapprochement between Great Britain, France and Germany, it will also be easier to solve the Far Eastern problem. (2) Anglo-German negotiations regarding the question of colonies are proceeding satisfactorily while France has compromised with Germany in regard to the former's colonies. (3) The French Foreign Minister will visit Poland shortly to discuss the revival of the old tripartite alliance. (4) The visit of Ambassador Bullitt to Poland is allegedly designed to prevent Poland from participating in the Anti-Comintern Pact. (5) Germany has apparently become an international political center. Recently Soviet Russia has made a great compromise in regard to the

Spanish

- 7 -

Spanish problem and is inclined to exercise the greatest care in dealing with the Far East. French Rightist papers have reported that Stalin is no longer interested in the European problem.

(SIN WAN PAO, November 22, 1937.)

#### BALANCE OF POWER AND ISOLATION

While it appears that the German-Italian-Japanese Anti-Comintern Pact can relieve Japan from her melancholy isolation, in fact the combined force of those three countries cannot compete with the force of all peace-loving countries. Furthermore, the interests of the three countries differ from each other. How can such a combination last long? At present, it is true that Japan can use this Pact as a weapon to cause peaceful countries in the world to be afraid of the spread of the war peril and to adopt an onlooker's attitude toward the fate of China. Can such a situation remain unchanged forever? The recent diplomatic activities of Great Britain in Europe have made a remarkable success. If Britain can succeed in tranquillizing Europe, European and American Powers will then be able to devote their full energies to deal with the Far Eastern crisis. Under no circumstances should European and American Powers overlook the Far Eastern crisis.

(SHUN PAO, November 23, 1937.)

## PHILIPPINE ISLANDS VISHES TO BECOME A FREE DOMINION INSTEAD OF AN INDEPENDENT STATE

Recently Mr. Quezon, President of the Philippine Islands, who realizes the weakness of the defense of the Islands, has made a proposal of giving up its independence and asking to be a free dominion of the United States in view of the increasingly critical situation in the Far East. Such a proposal in which he abases himself in order to accomplish his purpose in view of the general situation is really a matter of profound regret. President Quezon has hitherto devoted his full energy to work for the independence of the people of the Philippine Islands. Fortunately, the policy of the United States of America is different from that of any other country. He may achieve his aim by means of a peaceful appeal. The political destiny of a country in the world of today is subject to control by the international circumstances. Those who are ardent promoters of the independence movement are also constrained to abandon their plan and to surrender themselves to the protection of their mother country. Although Quezon's proposal for establishment of a free dominion instead of an independent state is an appeal for degradation in rank, the so-called independent states of today, such as Irak and Egypt, are still not free from control by foreign armed forces. So far as the Philippine Independence Act is concerned, the naval base will remain there although the United States army will be withdrawn. Though a free dominion and an independent state differ in name, they are practically the same in fact.

- 8 -

A statesman should not seek for an empty name which will bring about real trouble. Therefore, this proposal made by the President of the Philippine Islands is truly a formula considerate of the current events and circumstances. While we express deep regret to the people of the Philippine Islands, we still feel pleased that the outlook for the Philippine Islands will become brighter daily.

(SIN WAN PAO, November 23, 1937.)

## THE END OF THE NINE POWER CONFERENCE

The Nine Power Conference upon which public eyes are focussed has now come to a regrettable deadlock. The common attitude advocated in the first declaration again failed to receive consideration in the meeting of the delegates on November 22nd. It appears that the funeral bell of this Conference has already been struck. In fact, it was expected at the time it convened that the Nine Power Conference would not be able to make any decision in regard to effective joint action. If we desire to seek for a satisfactory solution of the Sino-Japanese problem, we really should use the machinery of the League of Nations. The original object of the Nine Power Conference was to effect mediation. In case mediation fails, it would issue an empty declaration and then its duty would be considered as fully discharged. At present, due to the difficulties surrounding them, the various great Powers still dare not step forward. However, there will be a day when such difficulties can be overcome. As the question of security in the Far East is the most important among all international problems, the statesmen of all great Powers must exert their intelligence and ability to solve it.

(THE SHUN PAC, November 24, 1937.)

## FAILURE OF THE NINE POWER CONFERENCE

The failure of the Nine Power Conference is naturally not a matter of surprise, but its failure to such an extent seems to be beyond one's expectation. In view of the difference in attitude of the various Powers attending the Conference, the fear of some great Powers and the irresolution of their foreign policy, the failure to such a degree may be considered as the destiny fixed prior to the birth (of the Conference). The reasons why the case was transferred from the League of Nations to the Nine Power Conference were that the Nine Power Treaty was concluded especially for China and that the Conference could get a strong and powerful reinforcement. This plan also failed eventually because the reinforcement was not equipped with big guns and merely carried pigeons when it arrived at Brussels. The big gun had already been fired at Chicago. The two pigeons thus despatched had been captured by huntsmen, and had been roasted and eaten by them. The Nine Power Conference was therefore adjourned with disappointment.

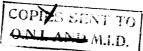
The roar made by Mr. Roosevelt was really a test gun, and his shell was blank. The loaded shells had already been taken away by the Isolationists. Therefore, when the reinforcement arrived at Brussels, it was not equipped even with blank shells. It had been announced in advance that the reinforcement was merely carrying pigeons which would undoubtedly be seized by huntsmen. Originally Mr. Roosevelt was very wise. He realized the failure of would undoubtedly be seized by huntsmen. Colonel Stimson and also understood the cause of the latter's failure. He further realized that his loaded shells had been taken away by others. Although the United States is the mother of the Nine Power Treaty, he always kept silent. However, in view of the criticism, Mr. Roosevelt who is a man of great ability was constrained to fire a gun as he was not armed and was unable to suppress the criticism. On the other hand, he was afraid of the domestic reaction and could not but declare that his gun shell was blank. Mr. Roosevelt, a man of great ability, has become second Stimson under such a "political system" The cause for Stimson's failure was only one, namely the indifferent attitude and non-cooperation of Britain. There were two causes for the failure of Mr. Roosevelt, namely (1) the indifferent attitude and non-cooperation of Britain, and (2) the hindrance of the Isolation party in his country. Inasmuch as the United States was the promoter of the Nine Power Treaty, Mr. Roosevelt was compelled to send Mr. Davis to Europe. At first he hoped that Britain would reinter positive cooperation. In view of her many week points, Britain was unwilling to exert her efforts and would like to render a little assistance should the United States take the lead. As Mr. Roosevelt is an unarmed man, it is absolutely impossible for him to fight. Hence cooperation became hopeless as Britain and the United States passed their "buck" to each other. Since Britain and the United States could not cooperate, Italy's attitude became even stronger. France complied with the wishes of Britain. Soviet Russia was not a signatory to the Treaty. The Power Conference was thus gloomily adjourned without a The Nine unified opinion being reached. Following the failure of the Conference, Mr. Davis felt discontented and returned direct to the United States. He declined the invitation for a visit to London under certain excuses. It may thus As the be seen that those two Powers cannot cooperate. Nine Power Conference has met with failure to such an extent, we can easily infer the destiny of any other conferences.

(SIN WAN PAO, November 28, 1937.)

Prepare by CHT Seen by HHS

JR

FROMCOMYANGPAT



January 14, 1938

REC'd 7:27 a.m.

ACTION: OPNAV

INFO: CINCAF (ADMN and FLAG)
SECOND BRIGADE
YANGPAT
COMSUBERRON FIVE

COMDESRON FIVE

COMSOPAT

AMAMBASSADOR CHINA

USS MARBLEHEAD ALUSNA PEIPING

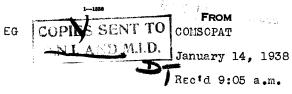
793.94

0013. Yangtze River ports quiet. 0155.

RR

Division of AR EASTERN ATTAINS

## TELEGRAM RECEIVED



ACTION: OPNAVINFO: CINCAF

ADLI HISTRATIVE S E.COND BRIGADE USMC COMSUBRON FIVE

CIHCAF

COLMANGPAT
AMAUBASSADOR CHI WA
USS MARBIE HEAD
ALUSNA PEI PING COMDESRON FIVE

Oll3. South China ports quiet. 2000

RR

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## **TELEGRAM RECEIVED**

EG

SECOND BRIGADE USMC FROM
January 14, 1938

11:40 a.m.

ACTION: CINCAF (ADMINISTRATIVE) CINCAF OPN.

INFO: AMCON SHANGHAI

SCOPLANRON THREE COMDESION FIVE COMMANGPAT

CCLISOPAT

AHAMBASSADOR OFFINA USS HARBLE HEAD TO SENT

ALUSNA PEI PING

THE AND M.I.D.

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FAR EASTERN

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8614. Japanese attack reached point 6 miles southwest Tsining northward advance Tsinpu line reached point 20 miles southeast Pengpu. Four additional Chinese divisions sent to reinforce Lunghai line vicinity Kweite. Chinese vigorously recruiting in central and southern provinces, estimated one million two hundred thousand enrolled since August. 1841

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793.94/12086

# DOCUMENT FILE NOTE

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D Jan. 12, 1938 (Rec'd)
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793.94/ 12087

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## **TELEGRAM RECEIVED**

EG.

GRAY FROM

Tsingtao via N. R.

Dated January 13, 1938

Rec'd 10:30 a.m. Jan. 14th

AMEMBASSY PELPING AMEMBASSY HANKOW

Secretary of State,

Washington.

COPINS SENT TO

AT

793.91

FOR WAR DEPARTMENT FROM DORN

Priping and Hankow please transmit to Military Attache. No. 17. January 13, 3 p.m.

Japanese army troops beginning to move west on railway. Tsingtao airfield being cleared of debris and rocks. Boom across the entrance to inner harbor partially cleared and two freighters and one man of war tied up at docks this morning. Only artillery seen was old 77 millimeter Erupp type. Great amount of supplies being landed. Japanese Consul General expects Japanese community to return within a month.

SOKOBIN

RR: TTC

VAL 1 200

F/FG

793.94/12088

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Eng to FBI . 4.7.49
Reta 5-10-49

## TELEGRAM NO. 17 from TSINGTAO (CHINA), dated January 13, 1938, 3 P.M. FOR WAR

## DISTRIBUTION:

		•
Office Symbol	Office Title	Chief or Head of Office
S	Secretary	Cordell Hull
U	Under Secretary	Summer Velles
. <b>C</b>	Counseler	R. Walton Moore
M-A	Assistant Secretary	George S. Messersmith
A-V	Assistant Secretary	Hugh R. Wilson
PA/H	Adviser on Political Relations	Stanley K. Hornbeck
FEIS	Adviser on International Economic Affairs	Herbert Teis
FE Division of Far Eastern Affairs		Marwell M. Hamilton

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Jun 16/5: NARS, Date /2-/8-75

	Shief ar Best of Office	Gordell Buill	Summer Volles	R. Walton Moore	Course S. Nesservalth	Bugh R. Wilson	Stealey I. Bertheck	Barbert Pots	Maxwell K. Eamilton
S STATE OF S	office Stille	Bearelary	Under Searchafy	Ocumentar	Agrictont Becretary	Assistant Secretary	Advisor on Political Belations	Abriest on International Demonto Affaire	Merician of For Barbern Affairs
	Office Arts.	•		•	1	1	N/N	Ę	

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972

By Mittm 0. due lefter NARS, Date 12-18-75

PREPARING OFFICE

TELEGRAM SENT

4571

TO BE TRANSMITTED CONFIDENTIAL CODE IONCONFIDENTIAL CODE

Collect Charge Department

Department of State

PARTAIR PLAIN

Charge to

Washington,

1938 JAN 14 PM 6 19

January 14, 1938.

793.94/12089

DIVISION OF COMMUNICATIONS

AMEMBASSY

PARIS (FRANCE)

Your 74, January 14, 1 p.m.

This cable was sent in confidential Code. It should be carefully paraphrased before being communicates to anyone. A a D

Mr. Litvinov at no time made a statement, such as you describe to Mr. Davis at Brussels! Mr. Litvinov, after asking Mr. Davis during a luncheon conversation on November 4, 1937, how far the United States would be willing to go in coercive action and after having been told by Mr. Davis that we were not considering coercive action/at this time, indicated that Russia would be quite prepared to act with England and the United States, but that she would want to feel certain that she would not be left with the bag to hold. "(End A)

There was no other reference in Mr. Davis conversations with pr. Litvinov to coercive action and none to a declaration of war.

Mr. Davis, who has been consulted, confirms that the

Enciphered by .... Sent by operator \_\_\_\_\_\_\_ M., \_\_\_\_\_\_\_\_, 19 D. C. R.-No. 50

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sussess NARS, Date /2-/8-75

PREPARING OFFICE
WILL INDICATE WHETHER

TELEGRAM SENT

4572

TO BE TRANSMITTED CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PARTAIR PLAIN

Collect Charge Department

Charge to

\$

Department of State

-2-

Washington,

question of a declaration of war was at no time mentioned in his conversations with (Litvinov, even indirectly.)

Enciphered by		
Sent by operator M.,		19,
D. C. R.—No. 50	11462	N. P. COVERNMENT BRINTING OFFICE

TELEGRAM RECEIVED JAN 1 4 100

Paris FROM

> Dated Januar Rec'd 11:55 a.m.

Secretary of State,

Washington.

This telegram must be closely paraphrased be-

fore being communicated to anyone. (D)

SECNETANY UNS JAN 14 1938 NOTED

4570

17 OF

74, January 14, 1 p.m.

STRICTLY CONFIDENTIAL FOR THE SECRETARY.

Blum remarked to me last night that Litvinov had said to Delbos, and Souritz, Soviet Ambassador in Paris, had repeated to Delbos, that Litvinov had stated definitely to Norman Davis in Brussels that if the United States should become involved in war with Japan, the Soviet Union would declare war on Japan at once. I replied that I felt certain that Litvinov had never made such a statement to Norman Davis.

I should be obliged if the Department would let me know if Litvinov ever made such a statement to Davis.

BULLITT

793 711.6 761.9

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JR
A portion of this
telegram must be
closely paraphracideGRAM RECEIVED N. R.
before being communicated
to anyone. (A)

Dated January 13, 1938

FROM Ec'd 10:30 a.m., 14th.

AMEMBASSY PEIPING AMEMBASSY HANKOW AMCONSUL SHANGHAI

Secretary of State,

Washington.

January 13, 3 p.m.

Further Jananese operations this area have included chiefly; (one) January eleventh and twelfth total of six raids averaging six planes on southern section Canton-Hankow Railway total over one hundred bombs damage reported considerable but line open this morning; (two) minor nightly raiding of Canton-Hong Kong Railway unimportant damage; (three) according to government newspaper twenty bombs on Hoihow by seven planes apparently from two Japanese warships still active off north Hainan; (four) further raiding of Kwangsi: eighteen planes raiding Naning and Liuchow on tenth objective air bases reported engaged by Chinese squadrons at both points, bombing damage not serious; similar raid eleventh apparently even less successful but unconfirmed reports Pakhoi bombed enroute with heavy civilian casualties. Kwangei official source states five Japanese one Chinese plane shot down over Kwangsi thus far. Objective of Kwangsi raids

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F/F@

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-2- January 13, 3 p.m., from Conton via N. R.

believed destruction Ewangsi a:r base and stoppage of importation munitions from Indo China through Ewangsi.

Referring to my January 1., 4 p.m., Shumchun border bridge completed January 3rd provides through Canton-Hong Kong highway communication. The recent completion of following is also definitely confirmed: new military highway to Kiangsi and Hankov via Poklo (near Waichow) Hoping Tingnan (southern Kiangsi) Nanchang; highway to Hunan, Kiangsi, Hankov via Checkfa Yungyuen Shinchow; improved highway through from principal Kwangsi cities to Pakhoi and other western Kwangtung coastal points. Reliable information indicates (END GRAY) Hong Kong Canton and northern highways will be used increasingly by new military trucks arriving in very large shipments at Hong Kong.

Mailed Hong Kong, Swatow.

LIMELL

RR:WVC

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. dies letter, NARS, Date 12-18-75

[CONFIDENTIAL]

## PARAPHRASE

A telegram of January 13, 1958, from the American Consul General at Canton reads substantially as follows:

Further Japanese operations in this area have included chiefly: (1) January 11 and 12 total of six raids averaging six planes on southern section Canton-Hankow Railway, total over one hundred bombs, damage reported considerable but line open this morning; (2) minor nightly raiding of Centon-Hong Kong Railway, unimportant damage; (8) according to government newspaper twenty bombs on Hoihow by seven planes apparently from two Japanese warships still active off north Hainan; (4) further raiding of Kwangsi: eighteen planes raiding Nanning and Liuchow on tenth objective air bases reported engaged by Chinese squadrons at both points, bombing damage not serious; similar raid on January 11 apparently even less successful but unconfirmed reports of Pakhoi bombed enroute with heavy civilian casualties. Ewangei official source states five Japanese and one Chinese plane have been shot down over Ewangsi thus far. Objective of Kwangei raids believed to be destruction of Kwangei air base and stoppage of importation of munitions from Indochina through Kwangei.

With

-2-

With reference to the Consul General's telegram of January 11, 4 p.m., Shumohum border bridge completed on January 5 provides through Canton-Hong Kong highway communication. The recent completion of the following is also definitely confirmed: new military highway to Kiangsi and Hankow via Poklo (near Waishow) Roping Tingman (southern Kiangei) Ranchang; highway to Ruman, Kiengsi, Bankow via Ch ckfa Yungyuen Shinohow; improved highway through from principal Kwangsi cities to Pakhoi and other western Kwangtung coastal points. Reliable information indicates new military trucks reaching Hong Kong in very large shipments will increasingly make use of Hong Kong, Canton, and northern highways.

793,94/12090

EG ...

FROM

OPIES SENT TO ... N.L. AND M.L.D

Tsingtao via N. R. Dated January 14, 1938 Rec'd 1:25 p.m.

Secretary of State,

Washington.

793.94

January 14, 10 a.m.

Department's January 12, 6 p.m.

Action suggested in my January 6, 3 p.m. no longer necessary. Tsingtao occupied peacefully January 10th and no interference with Americans in any way has been reported.

Repeated to Tokyo.

SOKOBIN

JLS:CSB

793.94/12091

F/FQ

COPIES SERVI

ΕG

COMSOPAT FROM

January 14, 1938

Rec'd 3:27 p.m.

OPNAV: INFO:

WASHI NGTON

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COMYANGPAT

AMAMBASSADOR CHI NA USS MARBLEHEAD ALUSNA PEI PI NG

0114. Japanese planes raided northeast of Canton, other south China ports quiet. 2000.

CSB

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COMYANGPAT

FROM January 14, 1938

Rec'd 3:25 p.m.

ACTION:

INFO:

COLESCOROR FIVE

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ALIALBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

0014. Yangtze river ports quiet. 2005

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DEPARTMENT OF STATE EASTERN AFFAIRS DIVISION OF FAR EASTE JAN 1 1 1938

693.002 993.76

DIVISION OF UNICATIONS AND RE Recent Developments in the Situation at Shanghai.

Customs: Negotiations are in progress at Shanghai between the Japanese and the Chinese customs authorities (British Inspector-General and Commissioner), with Japanese demands that customs funds be placed in a Japanese bank and that Japanese positions of greater authority in the customs administration forming the principal matters of difference and discussion. Our position, as Apresented by Ambassador Grew at Tokyo and Consul General Gauss at Shanghai, is that any arrangement should provide for the preservation of the administrative integrity of the customs and the safeguarding of the customs revenues, including provision for servicing of loan and indemnity quotas from those revenues, and we have requested certain assurances from the Japanese to those ends. We do not desire to participate in the negotiations or to give advance support to any specific arrangement.

Radio and Cable Communications: On January 3 the Japanese took over control of the Chinese Government radio station in the International Settlement. Our Consul General has informed the Japanese Consul General that the Radio Corporation

/93.94/12094 VILER

Corporation and the Mackay Company have definite and substantial interests in the radio station and in the revenues thereof by virtue of traffic and other agreements and that we expect that those American interests will be scrupulously respected. The Japanese have also assumed a degree of control over cable communications at Shanghai. It is understood that American interests (the Commercial Pacific Cable Company under the management of the Mackay Company but representing only 25 percent American interest) are being respected.

Press: In regard to Japanese complaints against one American owned newspaper and one American incorporated paper, our Consul General informed the Japanese Consul General that we could not compel these papers to submit to Japanese censorship but that he would take appropriate action in regard to any articles which the Japanese Consul General referred to him as objectionable.

International Settlement Administration: On January 1 there occurred in the International Settlement a series of bombing incidents perpetrated by terrorists (Chinese) against Japanese lives and property which resulted in the injury of several Japanese soldiers. On the same day the Shanghai Municipal Council issued an emergency proclamation stating

that

that "any person committing an offense against armed forces in the International Settlement will be liable to be handed over to the armed forces concerned". Our Consul General informed the Chairman of the Municipal Council that, while he was desirous of cooperating with the Council, he was unable to accept the emergency proclamation as applying to American nationals in derogation of American extraterritorial rights and jurisdiction.

On January 4 the Japanese Consul General presented to the Chairman of the Municipal Council three memoranda which (1) referred to bombing incidents (see above) and requested that the positions and authority of Japanese on the police force be raised, that their number be increased, and that Japanese be placed in positions of control with reference to important matters handled by the Council, (2) asked for action against specified Chinese organizations in the Settlement because of their anti-Japanese attitude and actions, and (3) detailed certain specific desires with regard to the organization and staffing of the police.

It would appear to be advisable as well as expedient

by the Japanese
for the Municipal Council, while insisting upon respect for

its administrative functions and responsibilities, (1) to
take all practicable measures to the end that the Settlement
not become a center for subversive activities (with special
reference

reference to anti-Japanese activities) and (2) to meet reasonable Japanese desires with regard to increased Japanese participation and authority in the administration and policing of the Settlement in so far as practicable without seriously disturbing present administrative machinery and control. However, it should be borne in mind, in connection with our attitude toward the problem, (1) that the Japanese requests raise questions which concern the administrative functions of the Municipal Council in which field the Council exercises independence of action, and (2) that British interests in Shanghai and in the administration of the Settlement are greater than ours.

With reference to press reports (official reports are lacking) of January 8 that the British authorities at Shanghai had protested against an attack by Japanese soldiers on officers of the Municipal police of British nationality, it may be mentioned that such matters are of concern to this country along with all of the "treaty powers" and might under certain circumstances call for diplomatic action on our part. (The Municipal police force is officered principally by British subjects although there are a large number of Japanese and to a lesser extent other nationals connected with the force, some in positions of authority. There are few if any Americans on the police force.)

FE: JOV: SMJ

# DOCUMENT FILE

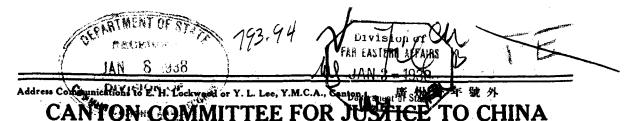
NOTE

SEE892.00 ]	P.R./104 FOR Despai	/104 FOR Despatch #51	
FROMSiam		( Newille ) DATED Dec. 28, 1937	
то	NAME	1-1127 400	

REGARDING: Since Japanese conflict: Public interest in Siam regarding-, stresses determination to maintain strict neutrality. Report on developments for November, 1937.

703.94

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-15



COPIES OF THIS PAMPHLET MAY BE SECURED ON APPLICATION

# Why A Committee For Justice to China?

E. H. Lockwood Secretary Y.M.C.A.

On the day when Japanese planes in one of their air raids on the almost defenseless city of Canton dropped bombs which caused the death of more than three hundred people, many of them women and children, living in a residential section far removed from any fortified areas, a small group of American citizens met and agreed on a message which was sent to the American Government. It was also agreed at this time that a longer statement should be made to be printed and sent to English speaking people of influence in all parts of the world. This circular is the statement which has been prepared. It was decided by the committee, appointed to prepare plans for the future, that a Canton Committee for Justice to China should be formed to be composed of persons in Canton, both Chinese and foreigners, who have connections with English speaking countries and wish to give to friends outside of China an interpretation of events as they appear to residents of Canton.

# A Military Party a Curse to Japan

We do not wish to condemn all of the Japanese for many of us have had Japanese friends and we do not believe that the military clique of Japan can represent them. We believe that Japan is cursed with a strong military party who have felt their power slipping and one of the reasons for the present aggression in China is the desire of this military party to keep itself in power. We believe that there are silent forces of good will in Japan which are not heard at the present time but which are not in sympathy with the policy which their government is following at the present time. Sooner or later these now silent, forces will make themselves heard and will overcome the military party which now is mad in its venture in China.

# Military Men Will Ruin Japan

There has never been in history a country dominated by military leaders which has had a long and continued success. We do not believe that Japan will prove an exception. Military men are good servants but they are poor masters and this is a lesson which Japan will learn in time. But in the meanting the military leaders are murdering deference. meantime, the military leaders are murdering defense-less citizens of China and they will cause much more misery before they are brought to account for their crimes.

# China Not Helpless

Compared to Japan, China is not strong in military equipment but she has made advance in recent years and the country is preparing to continue the struggle for a long period. One good effect of the attack of Japan is to bring about the unity of the country to its final stages for China today is united as she has never been united before. She is fortunate in the leadership of Marshall Chiang Kai Shek who stands far above any leader of Japan today not only in his intellect but in his morel and spiritual qualities. in his intellect but in his moral and spiritual qualities. In recent days when we have seen a great city threatened by death from bombing planes there has been great concern and much fear; but greater than fear and concern is the determination of the people to struggle to the end against the military leaders of

# Appeal to Residents of South China

Membership in the Committee for Justice to China is open to all English speaking residents of of South China, both Chinese and foreigners. who wish to affilate with the organization can do so by sending in their names to the headquarters in the YMCA of Canton. There are no membership dues. Our desire is to unite all those who have connections with residents of foreign countries whom they wish to keep informed of events in China, particularly in the Canton Delta. We believe that all foreign residents and returned students have in Western countries friends, some of them influnctial in education, government or business who can act more intelligently and forcefully if from time to time they have letters or printed information to give them the ideas China of those who are close to the events in China. is in a struggle for existence and needs the help of foreign countries if she is to have the victory. We believe that this support from foreign countries may come more readily if those of us who have connections with friends outside of China use them in this time

# A Tentative Five Point Objective

We urge the friends of China in foreign countries to work with us for the five point objective which is printed below. It should be understood that these points of objective are only tentative and may be changed as conditions change. We believe they offer the minimum of aid to China at the present time and that they will appeal to the sense of fairness of those who believe in justice not only in China but throughout the world.

# THE FIVE POINT OBJECTIVE OF THE CANTON COMMITTEE FOR JUSTICE TO CHINA

- United Action between the United States and Great Britain in the present Sino-Japanese Crisis.

  Economic Boycott of Japan by Western Powers.

  Aid to China in the purchase and transportation of means of defense.

  Immediate Meeting of all Powers Signatory to the Nine Power Pact.

  Contributions for relief work for those who suffer from Japanese atrocities not only in Canton but in all parts of China. They should be sent to the Committee Headquarters, YMCA., Canton.

# WHENCE THE PROVOCATION?

H. C. Brownell.

How came China and Japan to have a falling out? The Western world knows something of the struggle that began decades ago. It remembers the declared war by which the Tokyo government forced China to surrender suzerainty in Korea and to cede Formosa and the Pescadores. But does it realize with what creeping steps Japanese imperialism has aggrandized itself in the past quarter century, the subtlety with which the military and their diplomatic henchmen have gone about their work?

Let us look at what has happened in Manchuria. The story is familiar enough of the political subjection of the 30 million Chinese of Manchuria. The sequel is also pretty well known—the monopolizing by the Japanese of all authority and policy making behind a transparent screen of dispised puppets. Education has, moreover, been reorganized so that the subjects shall develop manual skills and not aspire to professions demanding a liberal training or critical judgment. Initiative is to be kept strictly in the hands of the invaders. They are to direct. The Chinese are to follow. They are to be howers of wood and drawers of water for the conquerors.

Of the undeclared war on Shanghai in 1932 one does not need to say much. On the minds of many visitors to that great city since 1932, the picture is indelible of scores of blocks in complete ruins. For a time the fire-scarred walls of the greatest publishing house in Asia and its famous Oriental Library stood as mute evidence of what "a Monroe doctrine for Asia" really means.

Peiping and Tientsin have likewise their story of bullying at the hands of unwelcome guests. Before this year the numbers of the Japanese garrison were swollen out of all relation to the protocol of 1901 by which it was pretended that the establishment was authorized. These intruders have again and again manoeuvred in the countryside by night as much as by day. They have demonstrated in the streets of the ancient capital with entire disregard of ordinary traffic. Streets have been blocked and pedestrains thrown back (Americans and Frenchmen as well as Chinese) while the ceremony was performed of presenting a banner bestowed on a regiment by His Imperial Majesty. Caterpillar tractors have torn up the asphalt pavement, the repairs left to the Chinese municipality. Chinese owned houses and schools have en seized for the used of Japanese. At Tientsin the Chinese secretary of the city government was actually arrested and carried off by the Japanese from his Two or three small incidents were provoked and magnified into a pretext for forcing a large Chinese contingent out of its barracks at Fengtai so that their places could be taken by regiments from Japan. Drilling of Peiping students was forbidden. Of course at any time the Chinese commander might have stubbornly refused any concessions. This would have meant immediate war and China knew she was still unprepared. She had to play for time while making every possible effort to develop her defences. The so-called autonomous regime of northeastern Hopei is another piece of Japanese workmanship. Having subsidized bandit gangs to terrorize the population (some 6 millions) they used the disorder as a pretext for overrunning the region and fighting the legitimate Chinese troops back to a line near Peiping and Tientsin. Then they proclaimed the "demilitarization" of the territory, planted an all powerful "adviser" beside every district executive, and set up a puppet chief at Tungchow with 30 Japanese "experts" to pull the strings.

What need is there to mention repeated threats during the last three years that an overwhelming force from Japan would amputate five northern provinces and create another subject state out of them. Sometimes the talk was of the Yellow river as the southern boundary, sometimes all Shantung, which the river bisects, was to be included. Anyhow, the Kuomintang was to be suppressed as the one patriotic organization spread over all China. Nationalism in China is a "threat to the peace of East Asia."

To facilitate excising Chinese territory and to make it seem more reasonable to the Japanese public and to foreign nations strenuous efforts were put forth by military agents in North China centers to use rowdles (in Japan they would be called ronin, in China they are the lowest of the low) to raise the flag of revolt. Grievances were furnished them from Tokyo and money of course. These independent regimes were to stand ready at a signal to hand over to their Japanese employers. In Shantung as well as Hopei, however, these insurgents met with short shrift and nowhere except in the East Hopei territory described above did one of them make any headway.

Enough said. What ground have Japanese "spokesmen" to stand on when they attribute to Chinese unreasonableness the present conflict? Would any intelligent, self-respecting people sit still under such treatment and not prepare to resist the invader, nay to recover a portion of what has been lost? What writer of history texts or school readers would so prostitute himself as to speak of those who have wronged his country in the honeyed words Tokyo demands? The Chinese reject the proferred hand of friendship forsooth! This a mailed fist that is offered them, a side swipe on the ear—and then they are asked to say thank you and co-operate. Co-operate in what? Would it not be as a slave and his slave-driver co-operate in producing for the enjoyment of the master?

It can be left to the conscience of mankind to jass Judgement on the effort of Japan to subjugate the Chinese nation.

Professor H. E. Brownell is Professor of History in Lingman University and has lived in China for twenty five years. He was one of the first of the Rhodes Scholars sent from America to Oxford and has for years made a study of Oriental affairs, Dr. W. W. Cadbury has been for many years a physician with the Canton Hospital in Canton. He is a Quaker and when a Quaker writes as Dr. Cadbury does in this article the reader may be assured there is a reason.

To all Men and Women of Good Will:

For more than twenty years Japan has been preparing for the subjugation of the Chinese race. Beginning with the twenty-one demands issued in 1915, her next step, after the Great War, was in 1931 when she seized Manchuria and destroyed a large section of the city of Shanghai. A threat was made in 1935 to isolate five northern provinces of China from the rule of Nanking. But "Der Tag" had not yet come!

During the last summer there were rumors of disorganization in the Eastern armies of Soviet Russia. Great Britian and France were completely pre-occupied with the serious crisis in the Mediterranean.

The policy of the present Government at Washington was definitely opposed to any interference in foreign conflicts and, with the probable invocation of the Neutrality Act, Japan would gain an immense advantage over China. Meanwhile the Chinese nation had become united and was growing stronger every day. The critical moment was at hand.

On July 7 came the first act of aggression, when Japanese troups attacked the Chinese at the Marco Polo Bridge, just outside of Peiping.

Hostilities spread to Tientsin, Peiping and to Shanghai. Here the Japanese forces used the International Settlement and foreign ships as a protection for their attack upon the Chinese forces massed across the Soochow Creek and the Whampoo River. Despite this advantage and in the face of the highly mechanized forces of Japan, the united Chinese people have put up a remarkable resistance.

For this "insincerity" on the part of China, the Japanese have perpetrated many reprisals. An American Mission Hospital at Nantungchau; an American school in Nanchang; an American Hospital in Waichow, all have been subjected to deliberate attacks by Japanese aircraft.

Trains and junks carrying Chinese refugees, mostly women and children, have been deliberately attacked, and thousands of innocent uon-combatants have been slain.

Reliable reports indicate that within a few days air raids in Nanking have killed hundreds of civilians; in Hankow more than 600 and in Canton 1,000. Dr. Bates in an article in this pamphlet tells of one of the bombing raids in Canton.

Eleven universities have been deliberately attacked and in some cases completely destroyed.

Public buildings, the pride of the Chinese people, the having no connection with the military arm of the nation, have been partially or completely ruined. One need only mention the headquarters of the Kuomintang in Nanking, the Civic centre in Shanghai and the magnificent Sun Yatsen Memorial Hall in Canton.

Despite all of these atrosities, the Chinese people have shown remarkable self-restraint. No reprisals have been reported upon Japanese cities, and the usual hatred engendered in war time, toward an enemy, has been kept in control to a remarkable degree.

Those of us representing the ideals of freedom and democracy to the Chinese, in some cases during twenty or thirty years of intimate contact with them, have grown to greatly admire the people of this nation; and especially during the past few years, under the leadership of Generalissimo and Madame Chiang Kaishek, we have observed the rapid upbuilding of a great people, among whom the principles of democracy hold the first place in the minds of the rulers.

At this time, when the Chinese have proved themselves qualified for sound and liberal government, Japan, having made alliances with the two other to totaletarian states, has launched a most vicious attack upon the very existance of the Chinese people. Her avowed purpose is to break the will of the nation. Thus by employing every engine of war and the full force of her mechanized unites she has set out to destroy whole towns and villages including their inhabitants.

Thus the Japanese (military and naval forces) in the mad lust for conquest are bent on the complete destruction of the Chinese nation.

Will they stop with China? Assuredly not Encouraged by her allies in Europe nothing will satisfy Japan but the subjugation of all the countries of the Pacific to her "Imperial Way" and the elimination there of the freedom of the mind and the spirit of man.

We who have endured, in some small measure, the tragic sufferings of the Chinese at the hands of her invading enemy are distressed at the recent trend to recall Americans home at this time of China's greatest need. We believe that those who have given lives of service to this land should be expected to remain if possible in this time of crisis. Many of us have important tasks "behind the lines": to maintain the institutions so greatly depleted of staff. We cannot fight in the battle front but there is much to be done in the bank and business offices, in the hospitals, churches, schools and colleges. If our Chinese colleagues want our help and counsel, this is no time to desert them, in order to run to safety.

We call upon our fellow citizens in the U.S.A. and friends in the British Empire to support the Chinese in their fight for freedom and democracy against insuperable odds. Let us not be found guilty of any share in this slaughter of innocent women and children, by contributions in arms, in money, or any other suplies that may be utilized by the Japanese forces in their murderous invasion.

As Madame Chiang Kai Shek has declared China is fighting for the nations of the World for freedom from the tyranny where men and women become more units of a machine. Now is the time for the freedom loving people of the World to unite in upholding their ideals.

Dr. W. W. Cadbury.

### A Statement to Friends of China in Foreign Countries

Hon. Tsang Yang-fu, Mayor of Canton.

The Japanese military is pursuing a policy of aggression and terrorism in direct contravention against international peace compacts and principles of humanity. China is now resisting with all her national resources against this aggression in order not only to safe guard her own sovereignity but also to protect the peace of the world. Consquently she looks forward to all friendly powers for moral support and she believes that no country which upholds the principles of justice would give any material support and assistance to the aggressor.

China will resist to the bitter end irrespective of the attitude of the powers and the nature of the reply of the League to her appeal. It seems obvious that China has to face today what other peace loving countries will have to face tomorrow and we leave this to the friendly powers to realize for themselves. We feel that nations should be concious of this growing menace to world peace and should therefore take concerted action to check the Japanese aggressive activities and the League should without further hesitation

take concrete steps to uphold justice.

If America, Britain, France and Holland do not expect to give up all of their rights in Asia and most of their trade they will need to act now to give strength to China who is really fighting their battle. Chinese are determined that no matter what foreign nations do it is our duty to resist the Japanese and this resistance will continue not for months but for years, if necessary. We remember the proverb which comes to us from the West, "He, whom the gods destroy, they first make mad". The Japanese militarists are mad in a lust for power and we firmly believe that in the long run they will be destroyed and we intend to do our part in this distruction no matter how much we suffer. There is no other way.

from the flying field which has for many days been subjected to heavy hombing This is a day and the subjected to heavy heavy had a day of hospital in the eastern suburbs of Canton not far from the flying field which has for many days been subjected to heavy bombing. This is the best residential suburt of Canton. Nearly everyone has moved from this dangerous area but Dr. Bates with his wife, aided by a few lovel Chinese assistants, have kept the hospital open and have not even bothered to put sand bags at the doors and wholows. At one thirty in the afternoon (in clear daylight) on Sept. 22, Japanese planes dropped six bombs on a residential area killing not less than three hundred persons, mostly women and children. When the bombing stopped Dr. Bates drove a truck to the scene and brought out wounded and dying people. Through lack of money Dr. Bates does not have an ambulance for his hospital. It may appeal to some friend of China to give an ambulance appeal to some friend of China to give an ambulance this gallant American physician for use in this

# Cantonese Civilians Murdered by Japanese Bombs.

Dr. F. E. Bates

We arrived at the scene of the bombing on Sept. 22 within twenty minutes after the explosion. The 'all clear' signal had not yet been given, but the dissaster was evidently so great that at every turn police and soldiers facilitated our passage through the other wise closed streets. The smoke and dust of the explosion had not yet cleared away, and the road for some distance was heavily piled with twisted timbers. broken glass, bricks, plaster, and all manner of building material. As we approached the scene of the bombing, police and soldiers on every side were calling and beckoning us to the place where wounded lay As soon as it became evident that a rescue party had arrived there came from every corner and hole in the debris which had, but a few moments before, been their living quarters, the most wretched, pitiable pieces of humanity that can be readily imagined. Some were seen with blood dripping off their faces crawling over the demolished buildings calling loudly their loved ones who were buried under the fallen structures. One old lady, past eighty years of age, sat on the curb holding her bleeding head calling urgently to us to rescue her children and grand children who were buried in the mass beside her. Numerous children were running about in a semi-dazed way trying to find mothers who could be seen no where. badly cut about the head and face, came out of a little hole where a bit flooring from the upper story had formed a triangle with the wall and floor below car rying a little girl about ten years old. He pled with us to bring him back in the first load. His wife, two smaller children, and mother were buried under the houses and he seemed terribly fearful that something would happen to separate his only living child from

The story might be continued almost indefinitely, the sights of those few moments, while we were filling the hospital cars with the wounded, were many We were but one of six hospitals which went to rescue. Between groans of pain some were mourning for lost members of the family. Others whose families could all be accounted for had lost all of their wordly possessions. Where would they be able to pass the nights after leaving the hospital? Where could they get food? The scenes of human pain and woe were almost innumerable and defy description. They were not living near a military camp, an arsenal, important railroad, or any kind of military defense works. It was one of the busy streets of this section of Canton, and yet the pitiless eye of the invader regarded not men. His was but a program of ruthless destruction and terror.

Dr. F. E. Bates is a missionary doctor in charge of a hospital in the eastern suburbs anton not far from the flying field which has for many ways been subjected to heavy bombing. Nearly everyone has moved from this angerous area but Dr. Bates with his wife, aided by a few loyal Chinese assistants, have kept the hospital open At one, thirty in the afternoon (in clear daylight) on Sept. 22, Japanese planes dropped six bombs on a residential area killing not less than three hundred persons, mostly women and children. When the bombing stopped Dr. Bates drove a truck to the scene and brought out wounded and dying people.

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GRAY

COPIES SENT TO O.N.I. AND M.L.D.

FROM Tsingtao via N. R.

Dated January 13, 1938

REC'd/3:35 p.m. Jan. 14th

Secretary of State,

Washington.

793.94

January 13, 3 p.m.

The naval activities of the Japanese at Tsingtao are impressive. There are approximately 30 men of war in addition to the transports. The transports not drawing over 12 feet are already at the docks and preparations are already under way to clear the rest of the boom made by the Chinese. In addition a small pier is being built at some distance from the commercial harbor.

The air field is being repaired by the naval air force. Japanese army landed some men yesterday.

No incidents of any untoward nature have occurred and so complete has been the disappearance of Chinese civil and military authorities that no commotion of any kind need be expected. So far no interference with foreign interests has occurred although foreign shipping will be affected by the exclusive use by the Japanese naval forces of the few port facilities which remain following

F/FG

工作 机铸铁

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793.94/1209

-2- January 13, 2 p.m. from Tsingtao via N. R.

following the sabotage ceremonies.

Sent to Peiping, Hankow.

SOKOBIN

WWC:CSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. Dustafan NARS, Date /2-/8-75

THE

# TELEGRAM RECEIVED

JS

Gray

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TSINGTAO Via N.R. FROM
Dated January 14, 1938

note Tsing too

Amembassy, Peiping. Amembassy, Hankow.

COPIES SENT TO

Rec'd 8:09 p.m.

Washington, D.C.

FOR WAR DEPARTMENT FROM DORN.

Peiping and Hankow please transmit to Military Attaches.

No. 18, January 14, 3 p.m.

Secretary of State, U.N.I. AND M.I.D.

Chao Chi, former Governor this district, will be new Mayor of Tsingtao. Generalissimo believed to be in Hsuchowfu and is reported to have ordered arrest of Han Fu Chu on account of his retreat. Army units landing at inner harbor, junk harbor, and Shatsekou, ten miles northeast of Tsingtao. Latter group moving north by road towards Chefoo and interior. I estimate total landed at about 10,000 including marines. Cavalry and many motor vehicles have been landed. I have seen only one battery of artillery. Japanese assertions of cost of damage to their Shantung property believed to be greatly exaggerated; probably with the intention of claiming heavy indemnities. Temporary wooden bridge has been constructed across the Yellow River near the old bridge.

SOKOBIN

11

RGC SMS

United States Senate

1938 JAN 15 AM 9 10 January 14, 1938

DIVISION OF COMMUNICATIONS AND RECORDS

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Department of State

Washington, D. C.

Gentlem en

I shall appreciate it if you will send to Mr. Walter Keberlein, Antonino, Kansas any information you may have available on the Far Eastern situation.

Very truly yours

В

In reply refer to FE 793.94/12099

My dear Mr. Keberlein:

In response to a request received from Senator George McGill, I take pleasure in sending herewith copies of various statements, as listed below, given to the press by the Department and copies of press releases issued by the White House on September 14, October 5, and October 19, 1937, relating to the situation in the Far East.

Sincerely yours,

For the Secretary of State:

Maxwell M. Hamilton Chief Division of Far Eastern Affairs

Enclosures: Press releases of the Department of State, Department of State, July 16, August 17 and 25, September 15, 18, 22, and 30, October 6 (5), 18, and 27, November 13, 15, 22, and 27, December 6, 13 (4), 14 (2), 21, 24, and 25, 2017/20mentalding 10 25, 2937, and Jahuary 10, 1938. Press releases of the White House, September 14 and October 5 and 19, 1937.

OR / way JAN 18 19382 Mr. Walter Keberlein,

Antonino, Kansas. FE:EC:HES FE

793.94/12099

793.94/12099

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By \_\_Mitty\_ 0, duelets \_\_NARS, Date \_\_/2-/8-75

January 18 1938

In reply refer to FE 793.94/12099

My dear Senator McGill:

In accordance with the request contained in your letter of January 14, 1958, I have taken pleasure in sending to Mr. Walter Keberlein, Antonino, Kansas, such information as the Department has available for distribution in regard to the situation in the Far East. Sincerely yours,

Cordell Hull

The Honorable

George McGill,

United States Senate.

40m JAN 18 1938

fiellilla.

JR

GRAY

FROMTsingtao via N. R.

Dated January 15, 1938

'Rec'd 5 a.m.

Secretary of State, Washington.

793.94

January 15, 1 p.m.

D7

Japanese military reported to have reached station
60 miles from Tsingtao on their drive from Tsinanfu
and will probably reach Tsingtao in two days, thus
placing entire Tsingtao railway in the hands of Japanese,
Sent to Hankow, Peiping.

SOKOBIN

KLP

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FIFE

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GRAY

FROM Chefoo via N. R.

Dated January/14, 1938

Rec'd 5 a.m.

Secretary of State,

Washington.

793.94

January 14, 10 a.m.

One. Colonel Chang, who was High Commissioner of the Chefoo special area and Chief of Police, left Chefoo 13th. It is probable that he proceeded to Muping nineteen miles southeast of Chefoo to the headquarters of the Commissioner for the Seventh Administrative Area of Shantung, to which post he was recently appointed. The office of Chefoo High Commissioner will not be filled for the present. The office of Chief of Police will be assumed by an experienced officer of the local force.

Two. It is reported by an American missionary in Laiyang that Japanese planes dropped bombs about twenty li (seven miles) from the city on the 10th and directed machine gun fire at a market in the city street on the 12th. (?) knows of no military objective against which these attacks were directed.

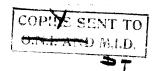
To Shanghai for the information of Commander-in-Chief.

ALLEN

DDM:HPD

X

МВо



2ND BRIGADE USMC January 15, 1938 Rec'd 1:30 p.m.

nivision

FAR EASTERN AFT

ACTION: CINCAF (ADMINISTRATIVE).

INFO:

AMCONSUL SHANGHAI COMSUBRON 5

CCLISUBRON 5
CCLIDESRON 5
COLYANGPAT
COLSOPAT

AHAHBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

793.94

8615 Japanese advance 13 miles southeast Tsining meeting considerable resistance eastwood drive Tsinan-Tsingtao line 20 miles west Tsingtao. Nine more Chinese divisions despatched to Lunghai defense 1820.

KLP:WC

793.94/12102

CIBIDA ALLA

"(

ML

USS MARBLEHEAD

ACTION: Cincaf (Flag) Cincaf (Admin) info 2nd brigade us MC comsubron 5 comdesron 5 comyangpat comsopat amabassador China opnav alusnav Peiping.

January 15, 1938

Rec'd 4:06 p.m.

Division

793,94 noti 250.3393

COPINS SENT TO

1015 Rehabilitation continues with arrivals civilian

industrial personnel. Curfew advanced from 1900 to 2200.
Many Japanese naval vessels departed. H M S SUFFOLK
departing tomorrow 2101

SMS: EMB

793.94/12103

. AN 2 C 1938

/FG

' 7

793.94/12104

ML

COMSOPAT

Comsopat LOpnav Washn info O.N.I. AND M.I.D. Cincaf 2nd Brigade USMC comsubron 5 Comdesron 5 Comyangpat Amambassador China

COPIES SENT TO d 5:40 p. m.

Jaunaury 15, 1938

793,44

Oll5 Three air raids north and east of Canton thirteen BLP and three BIP sighted. Other South China ports quiet 2000

SHIS: EMB

USS MARBLEHEAD Alusna Priping

 $i_{\gamma}$ 

ML

COMYANGPAT

January 15, 1938 Rec'd 5:41 p. m.

opnav washn infn cincaf 2nd brigade USMC Yangpat Comsubron 5 Comdesron 5

COPIES SENT TO O.N.I. AND M.I.D.

Comsopat

SMS: EMB

Ambassador China USS MARBLEHEAD, Alusna Peiping.

793.94

0015 Yangtze River ports quiet 2050

F/FG

# 793.94/12106

# **TELEGRAM RECEIVED**

ML

193.94

GRAY

FROM Shanghai

COPIES SENT EVE O.N.I. AND MELS.

Dated January 15, 1938

REC 1 1:32 p. m

Secretary of State

Washington

82, January 15, 2 p. m.

A Japanese supported Chinese local autonomous commission took over the administration of Nantao including the inspector's <u>quinot</u> zone on January 11th. Chairman Chen Yun is reported by local press to have issued manifesto stating that his commission was created to end privileges caused by war and to help peaceful residents pursue their daily tasks in happiness and prosperity and that the commission will act as the seed of a brighter future in central China by freeing the people from the shackles imposed upon them by the National Government.

Similar local antonomy bodies have been set up in Hangchow, Soochow, Huchow, Sungkiang and Changshu all being of the committee type including in their membership at least one Chinese speaking fluent Japanese and Chinese gentry ostensibly friendly to Japan.

Repeated to Hankow and Peiping.

GAUSS

KLP:WWC

M 2 C 188

F/FG

AC

CINCAF

FROM January 16, 1938

Rec'd. 6:20 a.m.

ACTION: USS MARBLEHEAD

AMCON AT SHANGHAI CINCAF (ADM) AMAM-TO-CHINA

OPNAV

PRIORITY TO MARBLEHEAD

Disorder reported at Chefoo, proceed that 0016.

port at once. 0955.

CA

Plain

CCHIX SUNT 10 FOUND. AND MILD.

FROM 22nd Brigade USMC
Dated Jan, 16, 1938

Reca 6:44 p.m.

Opnav, Washington Cincaf, Info: Amcon Shanghai, China, Comsubron Five, Comdesron Five, Comyangpat, Comsopat, Amambassador China, USS Marblehead, Alusna, Peiping.

My file to

793.94

8616. Japanese reported attacking Fengyang twelve miles southeast Pengpu, atrocities by poorly disciplined Japanese troops against Chinese civilians continues discourage rehabilitation area surrounding Shanghai, 1824.

CSB

1)

793.94/12108

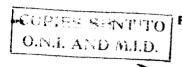
FE

# **TELEGRAM RECEIVED**

JS

793.94

Gray



TSINGTAO Via N R
FROM OF Dated January 15, 1938

Rec'd 8:11 p.m/

Secretary of State,

Washington, D.C.

FOR WAR DEPARTMENT FROM DORN.

Peiping and Hankow please transmit to Military Attach-

No. 19, January 15, 3 p.m. Ten new type tanks mounting small infantry cannons and armored cars landed yesterday. Kaomi occupied by troops from Tsinanfu and Weinhsien yesterday about noon. Kiauhuang occupied today by same troops. U.S.S. MARBLEHEAD expects to leave Tsingtao soon which will necessitate my messages going by Japanese land telegraph to Peiping, (1) to War Department. Troops which have landed at Tsingtao so far have only occupied environs of the harbor.

SOKOBIN

SMS EMB

₩ **%** © 1038

F/F

793.94/12109

SMO END

EG

793.94

# TELEGRAM RECEIVED

Chefoo via N. R.

FROMated January 15, 1938

Rec'd 12:05 p.m.

AMEMBASSY HANKOW AME BASSY PEIPING AMCOMSUL TSINGTAO

Secretary of State,

Washington.

RUSH

January 15, 5 p.m.

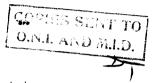
Chefoo was thrown into disorder today by about 100 men of a special corps of the police force. They looted a number of shops, forcibly entered the home of a wealthy Chinese next door to the Consulate, paralyzed street traffic, fired at random into the air and kidnapped the Chairman of the Chinese Chamber of Commerce and perhaps other Chinese. It appears that they intended to leave Chefoo and demanded funds as the price of their departure without making further trouble.

About 500 men remaining on duty with the effective police force are maintaining order at present. Negotiations are in progress for the release of kidnapped victims. There is a possibility of further disorder tonight but no special threat to safety or property of foreigners is anticipated.

Shanghai please inform Commander-in-Chief.

3

CA



CHEFOO VIA N. R. FROM

Dated Jan 16, 1938

Recd 6:59 p.m.

Secstate,

Washington,

Amembassy, Peiping, Amembassy, Hankow, Amconsul Shanghai, Amconsul, Tsingtao.

793.94

January 16, 10 a.m.

My January 15, 5 p.m.

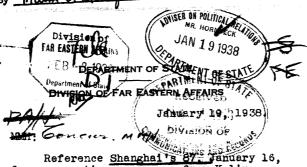
No further disorders have occurred. Casualties yesterday were one killed, one wounded, both Chinese. Trouble resulted from dispute between disaffected police and Chinese Chember of Commerce has been terminated by police releasing hostages and returning to duty for which they probably received compensation.

Representatives from the recently organized governments of Tsinanfu and Peiping are in Chefoo negotiating for local control. Shanghai please inform Commander in Chief.

ALLEN

CSB

DECIASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitter D. Chuster NARS, Date 12-18-75



.9 a.m., quoting a message from Kuling about a proposed safety zone at Kuling, and the attached memorandum suggesting that we ask what places the Japanese Government regards as safety zones.

The Japanese statements in the attached telegram are to the British Ambassador. We declined to join the British in asking that Kuling be considered as a safety zone.

The Japanese agreed to consider the foreign concession area at Hankow as a safety zone (see Shanghai's 73, January 13, 7 p.m.). They also asked that the location of American properties at Hsuchow be marked by white flags bearing blue crosses.

The only "safety zone" to which foreigners at Kuling would naturally proceed is the one at Hankow. The use of the word "zones" in the attached telegram is probably due to carelessness of expression or to a coding or typing error. I believe that the meaning of the attached telegram, though, is plain, and that a query is not called for, particularly as the message is addressed to the British about a matter in which we declined to join.

193.94/12112

FE:WAA:NN

FS

GRAY

FROM

Shanghai via N.R.

Dated January 16, 1938

Rec'd 6:20 a.m.

193,94 note

Secretary of State,

Washington.

O.N.I. AND M.I.D.

87, January 16, 9 a.m.

Following from Tokyo:

"January 15, 7 p.m. The following letters have been exchanged between the British Ambassador and the Vice Minister for Foreign Affairs on the subject of a proposed safety zone at Kuling.

113th January, 1938.

My dear Vice Minister,

With reference to my letter of 4th January concerning Kuling I write to let Your Excellency know that our Consul General at Hankow, who visited Kuling on 8th January, found there no fortifications, military establishments or guns. He states that the foreigners there number 103, of whom 47 are British, 40 Americans, 13 Germans, 1 French, 1 Russian and 1 Estonian, including 24 children, several aged persons and invalids. It appears further that all Chinese politicians and officials have left; that there are no Chinese troops; and that there only remains a small police force and a few Chinese refugees of no political importance.

Believe

793. 94 / 12112

F/FG

FS 2-No. 87, January 16, 9 a.m. from Shanghai

Believe me, etc, signed R. L. Craigie.!

'14th January, 1938. Urgent. My dear Ambassador,

In my recent letter of the 11th January I replied to Your Excellency's letter of the 23rd December about the designation of a safety zone in Hankow and in your letter of the 4th January you informed me that His Majesty's Government hoped for the establishment of a safety zone at Kuling on lines similar to that at Hankow. I am now in receipt of a further letter of the 13th January giving information of the actual situation at Kuling.

However, though the Japanese forces will take the most careful precautions possible for the safety of life and property of the nationals of third countries remaining in Kuling, they regret that it is impossible for tactical and topographical reasons, to agree to regard it as a safety zone. I would therefore recommend that it should be arranged that nationals of third countries remaining in Kuling should as far as possible be evacuated from there to the safety zones.

Believe me, et cetera, signed Kensuke Horinouchi, Vice Minister for Foreign Affairs.

Please repeat to Hankow and the Department. Grew."

H TM:KLP

GAUSS

ΕG

GRAY

FROM Chefoo via N. R.

Dated January 17, 1938

Rec'd 7:30 a.m.

Secretary of State,

Washington

January 17, 10 a.m.

O.N.I. AND M.L.

Chefoo orderly, USS MARBLEHEAD arrived last night.

n

ALLEN

RR

793:94 note mater fleet 811.30 hunter fleet

793.94/12113

EG

COMYANGPAT

FROM

January 17, 1938

Rec'd 8:30 a.m.

OPNAV ACTION:

INFO: CINCAF

SECOND BRIGADE USING

COPINS SENT TO

YANGPAT

YANGPAT
CCLISUBRON FIVE
CCLISOPAT
ALALBASSADOR CHINA
USS HARBLEHEAD
ALUSNA PELPING

0016 Yangtze River ports quiet. 2005

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743.94

M & C 1938

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ΕG FROM COMSOPAT

January 17, 1938

Rec'd 8:35 a.m.

ACTION:

CHICAF
SECOND BRIGADE USMC
CCHUBRON FIVE
CGHDESRON FIVE
CCHYANGPAT

ALMEBASSADOR CHINA

ALUSHA PEIPING

793.94

Oll6. Air raid north and East of Canton 17 BLP sighted other South Chine ports quiet. 2000

RR:TLC

ų,

Ŋ /FG

η

793.94/12115

JR

SECOND BRIGADE USMC

FROM

January 17, 1938

Rec'd 8:40 a.m.

ACTION: CINCAF (ADMINISTRATIVE AND FLAG)

INFO:

AMCON SHANGHAI COMSUBRON FIVE COMDESRON FIVE COMYANGPAT

COMSOPAT

AMAMBASSADOR CHIN

USS MARBLEHEAD

ALUSNA PEIPING

793.94

8617. Tsinpu offensive making slow progress meeting vigorous Chinese resistance Nipponese forces reported captured Kiaochiao 20 miles west Tsingtao. Japanese taking steps eradicate group Chinese guerrillas near Chuensha on Pootung Peninsula. Shanghai quiet. 1838.

RR:WWC

/FG

793.94/12116



EMBASSY OF UNITED STATES OF

EUROPEAN AFFAIRS THE FEE AMERICA DEPARTMENT OF STATE

DIVISION OF

LONDON, January 6, 1938.

No. 3753

SUBJECT: Texts of Notes Exchanged between the British Texts of Notes Exchanged Detween and Japanese Governments concerning the Attacks on British Ships on the Yangtze.

FEB 1 41938 DEPARTMENT OF STATE for destribution For Distribution-Check Yes · Grade | For In U.S.A.

317.13 57  $\succeq$ 

Division of FAR EASTERN AFFAIRS

Division FAR EASTERN AFT JAN 1 8 1901 Department of area

The Honorable

The Secretary of State,

Washington, D.C.

Sir:

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2/

111884 Supplementing my despatch No./3687 of December 16 I have the honor to enclose a clipping giving the text of the Japanese note in reply to the British Government's protest on December 16 against attacks on British ships on the Yangtze. There is also enclosed a clipping containing the text of the British note to Japan, as published in London on January 1, acknowledging the Japanese note mentioned above and stating the British

Government's

Government's difference of viewpoint on the attacks, as well as expressing satisfaction with the measures taken to prevent repetition of the incidents.

Respectfully yours,

Herschel V. Johnson Charge d'Affaires ed interim

Enclosures:

- Clipping from <u>The Times</u>, December 31, 1937, entitled "The <u>Yangtze Incidents."</u>
- Clipping from The Times, January 1, 1938, entitled "British Note to Tokyo."

NL/WMC

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitter D. Sustain NARS, Date 12-18-75

January 6-1938 Enclosure Fo. ire: the Labussy at London, England.

PAPER:

THE TIMES

NUMPER:

CITY:

LONDON

PATE: DEC 3 1 1937

### THE YANGTZE **INCIDENTS**

### JAPAN'S REPLY TO BRITAIN

### TEXT OF NOTE

The text of the Japanese Note in reply to the British Government's protest on December 16 against attacks on British ships on the Yangtze, which was issued by the Foreign Office in London yesterday, is of the language difficulty. as follows. The Note was addressed by the Foreign Minister, Mr. Hirota, to the British Ambassador, Sir Robert Craigie. We have inserted cross-headings: -

Sir,—I have already had the honour, in my Note of December 14 on the subject of attacks made by mistake by the Japanese forces upon British warships and merchant vessels at Wuhu and Nanking on December 12, to tender the profound apology of the Japanese Government, and to state that they had taken the necessary steps to prevent recurrence of such incidents and that they would deal properly with those responsible and also pay the necessary compensation.

In reply, your Excellency, in your Note of December 16, after describing the circumstances of the incident, stated:—

- (1) That his Majesty's Government were glad to receive my above-mentioned Note of December 14.
- (2) That they requested an assurance that the contents of my Note applied equally to attacks made upon British merchant vessels.
- (3) That they took particular note of the statement that those responsible would be suitably dealt with, and
- (4) That they desired to be informed that measures had actually been taken of a character which would put a definite stop to incidents of this kind.

I hastened to assure your Excellency, in my Note of December 17, that the statements contained in my Note of December 14 of course applied also to British merchant vessels which had been attacked in similar circum-

### **INVESTIGATION DELAYED**

Upon the occurrence of the incidents in question the Japanese Government at once did their best to ascertain the facts; but most unfortunately complete investigation has been delayed owing to the dispersion of the units concerned in the course of military operations, the inadequate communications, or for other

A full report has now at last been received, the principal points of which have been explained to you by the Japanese military and naval authorities.

As your Excellency will know from the above explanations, the incidents in question were in each case due to the fact that the units concerned had taken it for granted that, under such circumstances as prevailed at the time, all foreign warships and merchant vessels had sought refuge from the scene of the fighting and its vicinity, and that there could be no vessels left in those localities other than those of an enemy character, and also to the fact that owing to thick fog or haze visibility was poor; and there is no room for doubt that they did not intentionally attack the vessels knowing them to be British.

This point may be well understood from the fact that as soon as the two Japanese naval bombing squadrons and the military unit discovered that the vessels were British they ceased firing, and that the Japanese military unit afforded assistance in taking care of the dead and wounded on H.M.S. Ladybird.

As regards the assertion that the commander of the Japanese military unit involved spoke of his having received orders to fire upon all vessels on the Yangtze, the Japanese Government, being especially concerned, have made a searching investigation, and it has been established that orders referred to all vessels used for military purposes by the enemy and used for military purposes by the enemy, and were not to the effect that vessels belonging

to third Powers should be attacked.

I should add that misunderstandings of this nature which arose in connexion with the conversations between Rear-Admiral Holt and the commander of the Japanese unit at the time

#### OFFICERS PUNISHED

As regards the apology of the Japanese Government in connexion with this incident and the matter of compensation, nothing need be added to what I have said in my abovementioned Note; while as regards disposal of those responsible, although it has been established that the incidents were entirely due to a mistake, the Japanese Government, in order to ensure against the possibility of similar mistakes have dealt properly according to law with the commanding and other military officers concerned and with the commanding and other naval officers of air squadrons responsible, on the ground that they failed to take full precautions take full precautions.

As regards guarantees for the future referred to in the final paragraph of your Excellency's Note of December 16, the higher Japanese military Commanding Officer concerned issued, immediately after the incidents, strict orders to all forces under his command that thereafter they were not to attack any vessels

on the Yangtze unless they had determined that they were vessels used for military purposes by the Chinese forces.

Naval authorities also at once gave strict orders to guard against repetition of such mistakes by the exercise of the greatest caution in areas where there are vessels of third Powers, when it is increased. even in circumstances where such caution involves the loss of an opportunity of attacking Chinese forces.

In addition, although instructions have repeatedly been given to the naval, military, and diplomatic authorities on the view of the recent unfortunate incidents, strict instructions have once again been issued to them to take the greatest possible care that attacks are not made upon lives and property of British and other nationals.

The Japanese Government, too, are studying and expect to give effect to all possible means of realizing the above aims. For instance, after further full investigation in conjunction with the British authorities of the whereabouts of British residents and interests, they intend at the appropriate moment to communicate information thereof to the authorities on the spot and to subordinate units, while as regards method of making such communications they have given special consideration to their speedy and effective transmission.

The Japanese Government have taken all measures enumerated above solely out of a sincere desire to render more effective and valid their guarantee of the rights and interests of Great Britain and other third Powers. I trust, therefore, that these facts will be tully appreciated by his Majesty's Government.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitty D. Sustain NARS, Date 12-18-75

Emposure No. 2 to degrated 13753 of January 6-1938 from the Embassy at London, England.

PAPER:

THE TIMES

NUMPER:

CITY:

LONDON

1 1938 DATE: JAN

## BRITISH NOTE TO TOKYO

### JAPANESE REPLY **ACCEPTED**

The British Note replying to the Japanese Government's communication regarding attacks on British shipping on the Yangtze was presented yesterday to the Japanese Foreign Minister by Sir Robert Craigie, Ambassador in Tokyo. The text, which was issued by the Foreign

Robert Craigie, Ambassador in Tokyo. The text, which was issued by the Foreign Office last night, is as follows:

I have the honour, on instructions from his Majesty's Government in the United Kingdom, to inform your Excellency that they have noted with appreciation the assurances contained in your Excellency's Note of December 28 in connexion with the attacks on British warships and merchant shipping on December 12, and have learned with satisfaction that the statements contained in your Note of December 14 apply to the merchant vessels concerned as well as to the warships.

His Majesty's Government are bound to observe that their information in regard to the circumstances in which the attacks took place—notably, for instance, on the point of visibility—is at variance with that of the Japanese Government.

His Majesty's Government note, however, with satisfaction that the Japanese Government have taken, or are prepared to take, the necessary measures to deal suitably with the officers responsible for these incidents, and to prevent any repetition.

As regards the latter, his Majesty's Government consider that the details of these measures and their effective application may suitably form the subject of further conversations, in the course of which they do not doubt that they will be informed of the actual steps decided upon.

## DOCUMENT FILE NOTE

SEE 894.20238/1	FOR Despatch #30
FROM Haiti TO	(
II due	onflict: Forwards leaflet from Association of Yokohama, entitled about the actual incident with

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## DOCUMENT FILE NOTE

SEE 793.94119/385	FORFOR		
FROM <u>Japan</u> ТО	(_Grew) DATED	Jan. 15, 1938	190
firmed reports. eign Affairs, ye of communicating terms and these terms. Encloses	on Japan's policy towar Imperial Conference tode German Ambassador's cal esterday, according to pro- Chinese Government's viviews were in nature of predictions of several sement on policy.	ay, according to uncon- ll on Minister for For- ress, was for purpose lews on Japanese peace refusal to discuss	, 94/ 121 1 <b>3</b>

mr

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ΕG

GRAY

Tokyo

Dated January 15, 1938
Rec'd 8:50 a.m.

793.94

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Secretary of State, Washington.

31, January 15, 6 p.m.
Our 29, January 14, 7 p.m.

At a conference today of the Government and Imperial headquarters a draft statement on Japan's policy toward China to be issued shortly by the Government was examined. According to unconfirmed reports the draft was approved.

The German Ambassador called yesterday on the Minister for Foreign Affairs. The press states that he communicated the views of the Chinese Government on the Japanese peace terms and that these views were in the nature of a refusal to discuss the terms. Several papers forecast that the official statement on policy will:

- (a) Stress China's persistent refusal to negotiate for peace;
- (b) Express Japan's determination to crush the Chinese Government and other Chinese elements hostile to Japan;

(c)

793.94119/ 385

-2- No. 31, January 15, 6 p.m. from Tokyo

- (c) Empress hope that there may develop a government in China prepared to cooperate with Japan;
- (d) Indicate Japan's intention to support such friendly government.

Repeated to Peiping for relay to Johnson.

GREW

## DOCUMENT FILE NOTE

SEE 793.94119/386	FOR Tel #33, 4pm		
FROM China	( Lockhart ) DATED	Jan. 15, 1938	93.9
то	NAME	21127 GPO	94/

REGARDING: Lockhart predicts Japanese peace terms, but at the same time states that China will not accept them and unless both sides can be brought to realization of urgent need for an early and just conclusion of conflict, the war will continue indefinitely.

mr

2120

## DOCUMENT FILE NOTE

SEE 702.934	12/15	FOR #1835			79
FROM anada	(Armour	) DATED	Jan	.11,1938	93.94
то	NAR		11137	670	94/
REGARDING:	Situation between China Consul Gerral in speed Japanese; also comments in accepting apologies nationals.	ch at Ottawa in ed on attitude o	which he de	enounced the	n 🖚
					:
	emc				: ; ; ;

Ottawa, Canada.

January 11, 1936.

No. 1835

Subject: Chinese Consul General in Ottawa denounces Japanese and warns Canadians against neglecting western defences.

The Honorable

The Secretary of State, Sashington, D. C.

Sir:

I have the honor to inform the Department that the Chinese Consul General in Ottawa, Dr. Chang-Lok Chen, made a speech, assailing the Japanese, on January 5, 1988, which was given wide publicity and which has been the subject of considerable comment.

Addressing the members of the Ottawa Gyro Club, Dr. Chen warned that Canada, by supplying Japan with raw materials which enabled the latter to wage wer in China, was creating a serious problem for herself since the Japanese would soon be ready to face England and

Canada.

1.3.1. 经加强增加的

Canada. He predicted a forced alliance between China and Russia which when consummated would bring "wailing in the homes of the Japanese". He asserted also that Great Britain and the United States, while quietly accepting the apologies of Japan over incidents affecting their nationals, were both preparing for ultimate conflict with Japan. Dr. Chen claimed that China had not yet begun to fight and that history had always shown that eventually China slowly absorbed her conquerors. The Chinase Consul General warned that Japan's underlying desire was for the acquisition of lands which would give her the raw products she needed and that later on she would attempt to secure the East India Islands and India.

Turning to the question of Canadian defence, Dr.

Chen stated that it was folly for Canada to take the

view that she was secure from all ettack, that the Monroe

Doctrine would protect her or that England would always

be ready to come to her rescue. The climax of his

speech was the statement that Canadians would "rue the

day" they neglected their western defences.

& copy of Dr. Chen's remarks as reported in the Ottawa CITIZEN of January 6 is enclosed.

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Dr. Chen's strictures on Japan promptly evoked a statement from Commander K. Takeuchi, Japanese Meval Attache, who asserted usage had decreed that the role of a consular representative was restricted to matters affecting the welfare of his nationals in the country to which he is accredited. Doubtless referring to a speech made by the Italian Consul General, Mr. Petrucsi,

in Toronto two years ago, Commander Takeuchi was quoted as stating that he recalled that this rule had been violated shortly after his arrival here and that on that occasion a rebuke had been administered by the Frime Einister of Canada. The Naval Attache added that he had neither the desire nor the right to suggest the stand which the Canadian Government should take in the present instance although Japan had been the subject of an "un-provoked verbal attack". Continuing, he asserted:

"Canada is surely able to keep her own house in order without receiving advice from newcomers. Canada apparently was competent to regulate her military affairs during the Great war when she was an ally of Japan, and possibly possesses the same ability today.

"My opinion is that if China remained as just and fair and pesceful as Canada there would be no trouble in that country externally or internally."

A copy of Commander Takeuchi's statement, as quoted in the Ottawa JOURNAL of January 7, is enclosed.

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In reply to press queries for comment on Commander Takeuchi's statement, Dr. Chen denied that there had been any intention, on his part, of injecting himself into the Canadian domestic situation, stating that if the Department of External Affairs called upon him for an explanation of his speech he would "certainly take the stand there was no disregard of diplomatic privileges . . . and no interference or offense was intended". On this occasion the Chinese Consul General repeated his warning that Canada would regret it if she did not "protect herself with a navy and fortify her coast". He also again urged Ganada to desist from shipping eluminum and other "sinews of war" to Japan which was sustaining that

country

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country in her attack on China. Assistance should not be given to a "war-mad nation" he warned.

Commenting on the controversy between the Chinese Consul General and the Japanese Naval Attache, the Ottawa JOURNAL, conservative, in an editorial on January 8, 1938, observes:

"It is not to be thought of that the issue of the war in China should be fought out in Ottewa by the official representatives of the two countries involved. . . . Se gravely doubt that much in the way of useful information can come from a duel of official propagandists on the Ottawa front.

"Dr. Chang-Lok Chen made an indiscreet speech, Commander Takeuchi an unnecessary reply to it. At this point let us hope the argument is ended."

A copy of the JOURNAL's editor of is enclosed.

writing in his column "Around Parliament Hill", Charles Bishop, dean of the Parliamentary correspondents, states on the same date:

"The Chinese Consul General, speaking here the other night, said some pointed things about defending our western coast and also about the malevolent purpose of Japan in the Far East, and many people will subscribe to them as a not inaccurate statement. But these things are 'not done'. . . . The brilliant young Consul General is thought to have spoken out of his turn, invading a sphere in which no comment is called for by him or anyone else of like status. The Petrucci episode of a few years ago may be repeated."

Thus far, however, no official cognizance has been taken of Dr. Chen's remarks. It is probably true that Dr. Chen's remarks were well received by most of those in Canada who favor an increase in the Canadian defence program. To this group the Consul Ceneral's remarks seemed opportune and particularly appropriate if view of the series of incidents created by the Japanese in China. Dr. Chen's recommendation about building up the Pacific Coast defences therefore struck a responsive shord.

He State

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So far as Dr. Chen's appeal to Canadians not to furnish Japan with the sinews of war is concerned, here again it is not unlikely that a large group of Canadians heartily endorse his suggestion. This group of Canadians, generally speaking, is not the one which might be expected to approve of his advocacy of building up coast defences in the west, but whatever offense they may have felt at this part of the speech was offset by his appeal for a cessation of Canadian shipments to Japan of raw materials susceptible of warlike use. Thus, it will be seen that Dr. Chen's speech, though unquestionably undiplomatic, probably has not antagonized any very important element in Canada, particularly as public opinion here is overwhelmingly sympathetic to the Chinese cause. In fact, the Ottawa JOURNAL in its news columns of January 5 went so far as to remark:

"Most of officialdom appeared to think Dr. Chen has done Canada a good service in emphasizing the need of western defences, but admitted that it was not quite diplomatic."

Had the controversy been provoked by a Japanese Consul General it is almost cortain that it would have given rise to great indignation and would probably have led to an immediate rebuke by the Canadian Government.

Respectfully yours,

True copy of the Norman Armour.

(in single copy)

1/ From CITIZEN, Jan. 6.\*38.

2/ " JOURNAL, Jan. 7.\*38.

3/ " JOURNAL, Jan. 9,\*38.

In quintuplicate to Department. 800 DK/ems

ENCLOSURE	CHARGE TO	DATE	CLERK'S INITIALS	REMARKS
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DEPARTMENT OF STATE

THE

DIVISION OF FAR EASTERN AFFAIRS

January 19, 1938.

8M <u>44</u>

Singapore discusses the possibility of a Japanese attack on the naval base, stating that a landing force on the east coast of Makaya might have some chance of success, and certainly a failure to dislodge such a force immediately would have a demoralizing effect throughout the area.

Chinese laborers in Japanese owned Marayan tin mines have ceased work in large numbers, threatening one of the principal Japanese sources of tin ore.

Note marked passage n P. 2,4 and 5.

No. 339



AMERICAN CONSULATE GENERAL Singapore, S.S., December 17, 1937.

STRICTLY CONFIDENTIAL

SUBJECT:

193.94

Malayan Opinion regarding Sino-Japanese Hostilities.

THE HONORABLE THE SECRETARY OF STATE, 

WASHINGTON.

SIR

1

lading of distribution

Division of FAR EASTERN AFFAIRS AN 1 8 1938 Papartment of Sch 941.345-46 6/113

I have the honor, with reference to Consul Thomas McEnelly's strictly confidential telegram of November 7. 9 a.m., and despatches 308 and 309 of November 8 and 12. respectively, to state that without doubt considerable anxiety was felt in informed circles here regarding the reports in question.

The principal source quoted in the telegram and despatches referred to stated a few days ago that a Mr. S. Tizuka, well known for his prominent part in developing iron ore properties in the Endau district of Johore, \* addressed a group of the leading Japanese in Singapore, including Mr. Y. Sugita of the Japanese Consulate General, stating that all should hold themselves in readiness to evacuate Singapore at very short notice. My informant was of the opinion that the speaker's remarks were not based on any special knowledge of Japanese plans, but thought the statement of interest as an indication

Page 3 of report of April 26, 1937 entitled "Increased Importance to Japan of Malayan Iron Ore".

of

of the lines along which even responsible Japanese business men are thinking at present.

There has been considerable speculation here regarding the possibility of Japanese aggression in this area, or even in Malaya itself; and some think it probable that the Japanese military will take advantage of the war spirit in their own country, the availability of troops and the manifest lack of preparedness of the other powers concerned to advance their interests to the south in the near future. It has been pointed out that the Japanese might land a force on the east coast of Malaya with the idea that any failure to dislodge them immediately would be a telling blow to British prestige, and could not but have a demoralizing effect throughout this area.

Officers in Malaya believe that in view of the strength of the coast defenses of Singapore Island itself the Japanese would not be so foolhardy as to attempt a direct naval or aerial attack on the Base here, but they seem less confident about the hinterland. It has been noted that the responsible officers have been especially interested in the development of the volunteer defense forces and that they have been active in giving all units practical training in field manoeuvres, war games, et cetera.

Japanese travelers passing through Singapore have no hesitancy in expressing their views to reporters apparently but there seems to be no unanimity of opinion among them. For example, Mr. Shigenori Togo,\* the newly appointed Japanese Ambassador to Germany, said that he hoped

<sup>\*</sup> The Straits Times (afternoon daily) of Dec. 6, 1937.

hoped Great Britain would soon come to an understanding with Japan, but that he could not say more "in such a dangerous diplomatic locality"; Mr. Tanichiro Yoshida,\* the new Japanese Consul at Calcutta, asserted that his country had no territorial ambitions in China, adding rather inconsistently that all Japan's resources will be needed for the economic development of North China and that it would therefore be a physical impossibility for Japan to expand further southwards; and Rear Admiral Shinijiro Yamamoto\*\* expressed surprise to hear that the British people still think Japan might attack Singapore saying that the Japanese do not have the remotest intention of sending any expedition here during the present crisis or in the future, and that he looked forward to the time when Great Britain would change her attitude for the benefit of her own interests and renew the Anglo-Japanese Alliance. Admiral Yamamoto is a Roman Catholic and is proceeding on a world tour to appeal to Catholics to see the Japanese side of the Sino-Japanese question.

Mr. T. Sakamoto, \*\*\* formerly of the Japanese Foreign Office and now Counselor of the Japanese Embassy at Brussels, on the other hand, stated as he passed through Singapore to his new post that the Chinese people would be better governed and more prosperous under Japanese direction, that it would be wise for the British Empire to cooperate with Japan in the Far East in order that the British people might learn to recognize the progressive nature of the Japanese

The Straits Times of Dec. 8, 1937.
The Straits Times of Dec. 7, 1937.
The Singapore Free Press (morning daily) of Nov. 25, 1937.

Japanese people, and that any effort to check Japanese progress in the Far East might mean disaster for both peoples. Continuing he said that if Japan is denied emigration to sparsely populated centers in the Pacific as she is today she must be granted unrestricted foreign trade and access to raw materials; otherwise Japan would have to take those resources or perish. He expressed the view that the Nine-Power Treaty was signed on the understanding that participating powers would cooperate with Japan but that they had failed to do so. Asserting that the Japanese are not a selfish people, he said that "world peace will never be established while the Powers selfishly stick to their interests".

British passengers on their way home from Japan have much to say about the feeling against Great Britain. One traveler\* was quoted as saying that coupled with vicious anti-British propaganda in Japan there is frequent talk by the Japanese that they are after Singapore and will take it before long. He added that the feeling of uncertainty among Europeans in Japan amounted almost to a feeling of danger, that "the restrictions imposed upon British passengers landing in Japan are enough to make anyone's blood boil", and that "never before in history have such incidents taken place in a country whose police are renowned for their efficiency".

The latest important development\*\* in anti-Japanese activity in Malaya has been the desertion of large numbers

of

<sup>\*</sup> The Sunday Times (weekly) of Nov. 28, 1937.

\*\* The Straits Times of Dec. 8, 1937.

of Chinese laborers who have been employed in the Japanese iron mines. Seven hundred coolies at the Sri Medan Mine near Batu Pahat, Johore, ceased work early in December on patriotic grounds rendering the mine practically idle.

If the desertion of Chinese laborers continues to affect the production of the mine in question, the result may be of considerable importance since weather conditions make it difficult to load ore on the east coast from November to March. As reported previously, Malaya represents at present one of the principal sources from which Japan obtains iron ore.

Respectfully yours,

Monnett B. Davis American Consul General

Original and four copies to the Department. File no. 800 MBD.a

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### **TELEGRAM RECEIVED**

EG

COPYS SENT TO

FROM Chifo

January 17, 1938

Rec'd 9:51 p.m.

CINCAP CINCAF ADMINISTRATIVE PASSED TO OPMAV BY CINCAF FOR INFO.

793.94

1017. Situation quiet. Police paid in advance return work. No further disorder expected. Japanese Gonsul expected but no further word. Only Japanese activity one minesweeper after some sweeping yesterday anchored lee Chefoo bluff. 2033

SMS:NPL

FILED

F/FG

793.94/12123

## DOCUMENT FILE NOTE

FROM Germany (Gilbert ) DATED Jan. 14, 1938

TO NAME 1-1137 \*\*\*

REGARDING: Relations between China and Japan.

Conversation with Chinese Ambassador in regard to-, and their position with regard to Germany and England.

mr

#### **TELEGRAM RECEIVED**

EG
This message must be closely paraphrased before being communicated to anyone.

FROMASTALUSNA SHANGHAI

January 18, 1938

10:15 a.m.

ACTION: NAVY DEPARTMENT

INFO: CINCAF: CINCAF (ADM)

Dapartury of Sta

793.94

Reliable report Nanchang about hundred Soviet 0018. aviators and planes under own officers daily engaged bombing Japanese bases. Results unknown. Reports of Outer Hongelia troops activities Suiyuan doubted as Japanese would use news for anti-Red propaganda. Japanese Hangehow area have tried advance recently but unable due Chinese resistance and guerrilla tactics Hsuchow area. Japs claim making gains but evidently increased resistance Chinese part slowing up Japanese Sino reports of successful offensives Hsuchow and Wuas not confirmed Japanese action only recognizing Peiping Government not important from Chinese view point if Japan win Central Government finished if China win Central Government still operate. 0118.

FILE

F/A

NO. 76

## AMERICANE GONSULATE

1938 JAN 17 PM 12 31

1938. January 4,

193.94

SUBJECT: Continued Japanese Boycott Agitation at Manchester.

For In U.S.A.

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON

Division of TAR EASTERN AFFAIRS JAN **1/8\*1**938

SIR:

I have the honor to refer to my despatch No. 40 dated October 18, 1937, and to previous despatches and reports regarding the possible boycott of Japanese goods within the Manchester consular district, and to submit the following information concerning very definite efforts being made by important Labour groups within this area to bring about the complete boycott of Japanese goods.

On December 18, 1937, the Manchester Council of Labour, which comprises the Manchester and Salford Trades Council, the Manchester Borough Labour Party, the Manchester and District Cooperative Party, and the

Manchester

1. MANCHESTER GUARDIAN, issue of December 18, 1937.

793.94/12126

И

Manchester and Salford Cooperative Society Party, \*
sent a circular letter to some 400 local firms which
it knew to be dealing in Japanese goods. The letter,
which is quoted below, inquires whether the addressee
would be disposed to cooperate in an organized boycott
of Japanese goods.

"We are aware that many Manchester business concerns have already taken praiseworthy action in this matter, and many other enterprises will pay attention to the matter in planning their future trading policy. The council, therefore, would very much appreciate a letter from you giving information on the following:-

- (a) The policy of your concern in the wholesale and retail purchase of Japanese goods.
- (b) Whether you would be prepared to consider the use in your retail trading premises of a bill, or bills, stating 'No Japanese goods sold here.'

The

All questions of importance must be approved by the various Labour parties before action can be taken by the Manchester Council of Labour.

<sup>\*</sup> The Manchester Council of Labour is an organization made up of delegates from the Labour parties concerned. The Manchester and Salford Trades Council is understood to have a membership of approximately 100,000, including workers from all trades. The Manchester Borough Labour Party is the official organ of the Labour Party at Manchester. Its activities consist in selecting candidates for Labour representation both in Parliament and the Municipality of Manchester. It has not been possible to obtain membership data but this party is without question very important from a Labour standpoint. The Manchester and District Cooperative Party includes all the Manchester district associations of the cooperative movement, which is estimated at not less than 60,000 members. The Manchester and Salford Cooperative Society Party has a membership of approximately 80,000. In other words, three of the four parties mentioned have a total membership in excess of 240,000 persons.

The council are mindful of difficulties which exist where long-term contracts or other commercial arrangements exist, and we appreciate that this factor must be an important consideration. Nevertheless, we are confident that all trading organisations of repute will be willing to take part in collective action for an object which general public opinion will undoubtedly support, and we hope to secure your whole-hearted co-operation."

From information released to the press, 2 as well as that orally furnished the Consulate by the Secretary of the Manchester Council of Labour, it appears that a large number of replies have been received to the Council's circular letter, the great majority of which express their entire willingness to cooperate in any organized boycott.

Respectfully yours,

George Tait, American Consul.

800. GT.es.

<sup>2.</sup> MANCHESTER GUARDIAN, issue of December 30, 1937.

<sup>3.</sup> Mr. W. J. Munro, and Councillor F. Gregson of the Manchester Municipal Council.

42.

# DOCUMENT FILE NOTE

TO	(	NAM		<b></b>	1—1127	***
FROM Canad	<u>a</u> (	Armour	\ DATE	- Je	m.13,	1938
SEE8	42.20/68		FOR	<b>#183</b> 8		

REGARDING: Sino-Japanese conflict.

Dangerous possibilities for Canada because of the latter's close connections with Great Britain and the United States. Growing consciousness in Canada of the desirability of strengthening of the Dominion's defences due to-.

đg



### **TELEGRAM RECEIVED**

JR

753.94

FROM SECOND BRIGADE USMC

January 18, 1938

Division o

FAR EASTERN AFFAIRS

Rec'd 2 p.m.

ACTION: CINCAF (ADMV)

CINCAF

OPNAV

OPYS SENT TO ALD M.I.D.

INFO: AMCON SHANGHAI CHINA

COMSUBRON FIVE COMDESRON FIVE

COMYANGPAT COMSOPAT

AMAMBASSADOR CHINA USS MARBLEHEAD ALUSNA PEIPING

8618. Chinese continue vigorous resistance Tsipu front Japanese reported made no progress past 23 hours, five more Chinese divisions dispatched to Lunghai line vicinity Kwitch. Japanese reported in control entire Tsinan Tsingtao Railway. Chinese resumed small scale counter offensive activities Wuhu Hangchow areas. Japanese efforts find responsible Chinese willing take job Mayor Shanghai continue unsuccessfully. 1929.

CSB

**793.**94/[2|28



### TELEGRAM RECEIVED

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EG

GRAY

FROM Hankow via N. R.

Dated January 18, 1938

Rec'd 11:45 a.m.

Secretary of State,

Washington.

COMESS. NT TO

Division of FAR EASTERN FF

793.99

37, January 18, 10 a.m.

Following for War Department from Colonel Stillwell:

"One. No change in military situation Yangtze
Valley. Central Government alive to seriousness
situation Hsuchowfu, now threatened from north and
south. Believe Japanese will not operate against
Canton in near future, their most probable line of action
being to finish clearing Tsinpu railroad, take Hsuchowfu,
and then occupy the Lunghai Railroad by moving west from
Hsuchowfu.

Two. Request Tokyo Military Attache be queried as to orders or appearance of the Japanese 13th, 15th, 17th or 18th divisions, and answer sent here."

Repeated to Peiping.

JOHNS ON

CSB

FL/E9

4

## DOCUMENT FILE NOTE

SEE	124.932/562	FOR Tel.#25 10am		
FROM TO	China (Nanking)	MAME	Jan. 18, 1938	

REGARDING:

Apology from Japanese for violation of American Embassy property, and property of Embassy staff, desecration of the American flag and damages to property of American private interests: Recommends acceptance of same as proposed.

emo/

749,74 /12130

### TELEGRAM RECEIVED

LMS

GRAY

FROM

Shanghai via N. R.

Dated January 18, 1938

Rec'd 3:40 p.

Secretary of State

Washington.

TTO

97, January 18, 5 p. m.

My 1241/ December 28, 5 p. m.

Reports received here by military observers indicate that the Japanese (\*) north from Pukow along the Tsinpu Railway is making slow progress and that the Chinese are offering strong resistance in the vicinity of Fengyang 15 miles below Pengpu.

Very little reliable information has been received during the past two weeks concerning military operations around Wuhu and Hangehow but persistent reports that Chinese plainclothesmen and guerrilla bands are active in those areas are given some credence in view of the estimated withdrawal of approximately 40,000 Japanese troops from the area south of the Yangtze River during the past four weeks.

Martial law is being enforced in Pootung to which all access is being temporarily denied by the Japanese military authorities who are said to be engaged in "mopping up"

793.94/1213

K,TT'R,I

793.94

LMS 2-No. 97, January 18, 5 p. m., from Shanghai.

 $up^{w}$  operations against Chinese plainclothesmen who appear from time to time.

Repeated to Hankow and Peiping.

GAUSS

CSB

(\*) Apparent omission.



#### **TELEGRAM RECEIVED**

CA

Plain

FROM SOPATCOM

Undated

Y D.M.D.

Recd 9:19 p.m. Jan. 18, 1938

Opnav Washington
Info: Cincaf, 2nd Brigade USMC, Comsubron 5,
Comdesron 5, Comyangpat, Amambassador China,
USS Marbelhead

0117 South China ports quiet 2000.

793.94

SMS RGC

Division of FAR EASIERN AFFRES PAN 1 9 1938
Department of Side N

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F/FG

DIVISION OF CHINESE OPINIONS ON CURRENT EVENTS

(TRANSLATED FROM CHINESE PERIODICAL

FAR EASTERN AFFAIRS JAN 1 4 193

15

Proprietor and Editor: Fang Fu-an

Department of Sta

Number 69

December 15,1937 HOW TO CARRY ON THE PROTRACTED WAR By Wang Ching-wei STRENGTH OF OVERSEAS CHINESE FOR ARMED RESISTANCE By Pang Chen-shih CHINA AND THE SOVIET UNION 5 By Tao Hsi-sen THE ITALO-GERMAN-JAPANESE PACT AND THE FAR EASTERN WAR By Chu Yu-kwen CHINESE PRESS COMMENTS Resistance To The Last - China's Only 11 Chance The Origin And Aims of "Mediation" Talks 12

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) Department of State letter, August 10, 1972 By Mitty 0, dustaffy NARS, Date 12-18-75

HOW TO CARRY ON THE PROTRACTED WAR

By Wang Ching-wei Chairman of the Central Political Council

In the present armed resistance we must always remember that only through sacrifice can we carry on the war, and only that only through sacrifice can we carry on the war, and only through a protracted war can we attain final victory. For three months our gallant soldiers laid down their lives to defend the Shanghai area. With their bodies and blood they built a strong defense wall, and even without orders they kept on sacrificing themselves to protect Chinese territory. With this spirit of sacrifice, there is hope for us to prolong the present armed resistance. the present armed resistance.

At the time of the Lukouchiao incident on July 7, the Japanese authorities failed to recognize the changed situation in China. They continued to believe that China's concilitory attitude, and eagerness to compromise, were due to China's fear of Japan. They believed that it would not cost them very much to occupy the whole of China. Following the withdrawal of Chinese troops from Hopei, Chahar and Shansi, as well as the withdrawal from Shanghai and Woosung, the Japanese believed that the military operations had come to an end, that the Chinese Government would soon ask for peace and surrender to Japan. ing that the Chinese are betermined to resist to the bitter end, however Japanese troops have continued their advance westward.

Japan's propaganda claims show that she aims to occupy the entire Yangtze valley. The Japanese plan to organize puppet regimes in every city between Shanghai and Ichang on the Yangtze, with their warsh ips and planes they can expand into the interior on both sides of the river. Whether the enemy succeeds in doing the or not, it is apparent that they have set themselves to carry out such a plan.

How shall we meet this situation? In other words, how we prolong the war? This is the problem deserving the attention of every thinking and patriotic Chinese. When In other words, how shall we can carry on the protracted war or not depends on our ability to preserve our fighting strength and extend of the fighting front. Except for military operations, three other factors must not be overlooked in our continuation of armed resistance.

For many decades, Chinese The first factor is economic. business has been centered along the Yangtze and the coast. The economic strength of the Chinese Government, based on the business developments along the Yangtze and the coast, is already too weak to finance the present war. With Japanese occupation of Yangtze ports and coastal cities, it is appar-With Japanese occupation of Yangtze ports and coastal cities, it is apparent that the Chinese Government will find it increasingly difficult to finance armed resistance by the declining agriculture and handicraft, of the interior. Special attention should therefore be given to the preservation of the commercial and industrial enterprises along the Yangtze and on the coast, and to the immediate development of business and industry in the interior. DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Susing NARS, Date 12-18-75

It is well said that cities are but flowers, with their branches and roots in the villages. There is no prosperity in the cities without prosperity in the villages. Attention should therefore be directed to the developments in the interior, and to the building of as trong foundation for the prosperity of the cities. If prosperity can be restored in all the villages of the interior, even without the cities, we can still finance our present armed resistance.

The second factor is that of communications. Much has been said about the importance of guerilla warfare. This concerns military operations, which I do not want to deal with here. But one thing is important, and that is: to carry on the guerilla warfare by mobile units, we must have some sort of communication facilities for them. Control of our highways and other communication facilities is most important, so as to utilize them for our prupose and destroy them if they will aid the enemy. Every village must be able to defend itself. Thenches must be built by every village, and be prepared for use against the enemy. By so doing, wherever the Japanese troops go they will be engaged in bloody battles. As a result, the further the Japanese troops penetrate into the interior the more difficult they will find it to attack the Chinese.

The third important factor is the people. Three hundred years ago, five million Manchus succeeded to extend their rule over 400,000,000 Chinese. The secret of the success of the Manchus was to use money belonging to the Chinese to support a large Chinese army, and to kill the Chinese people. Today wherever they go, the enemy is busy in the establishment of puppet regimes to rule the Chinese. They are but copying the tricks of the Manchus.

During the Northern Expedition the great importance of publicity work was stressed to arouse the feeling of the people, because the war of 1925-27 was a war of revolution. It was a political struggle. The situation at present is different.

Every Chinese knows that we are fighting against a foreign enemy. Everyone knows that we are fighting for the very existence of the country. Importance shouldbe laid at present on actual work to priong the war. The Chinese farmers, constituting the vast majority of the Chinese population, may not know much of the national and international complications, but they have persistently worked for the good of the country. These people who have done much in the pear to assist the gallant troops on the battle fronts. Their hard work as far better than the call of city people for mass meetings and demonstrations.

Regarding these farmers, we must pay special attention to the above-mentioned economic factor, in order to enrich them and give them strength to help the country. We must develop communication facilities, so as to protect them and assist them to develop their business. Thirdly, we want to organize these farmers, train them, and so increase their fighting capacity. By so doing it will not be possible to establish puppet regimes. Even if these puppet regimes can be established they will not be supported by the people, most of who m are farmers. Non-co-operation with these puppet regimes is a strong political weapon to maintain China's strength.

The above three factors show our immediate tasks, supplementing the military operations. By carrying them out we can prolong our armed resistance, we can attain final victory. -- "Kuo Wen Weekly" Vol. 14, No 46.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty D. Susteff NARS, Date /2-/8-75

STRENGTH OF OVERSEAS CHINESE FOR ARMED RESISTANCE

By Pang Chen-shih

China has a great number of her people in foreign countries. These "overseas Chinese" number more than eleven million. Their strength can well be made use of at the present time to prolong our armed resistance, and is of great importance.

Though no detailed investigation has been made rogarding the financial condition of overseas Chinese, it is clear that enormous sums of money can be obtained from thom, judging from their willingness and their ability to give, during past years, to their fatherland. During a period of three months, down to November 2, overseas Chinese contributed over \$20,000,000 according to the Nonking "Central Daily News."

Besides financial contributions, everseas Chinese can assist tremendously in the matter of supplying needed commodities. The problem of production is most important in time of war, in view of the destructive nature of war. In war-time we must continue to exert our efforts to produce as much as we can to make good the losses and destruction. Only by so doing can we maintain the economic strength of our country, and carry on a protracted war.

Furthermore, a war can only be carried on for a long period if we are self-sufficient with regard to daily nocessitics. In time of war, it is natural that we shall find it difficult to import or export goods. But it is more important that we have no excess of imports over exports, so that every cent can be kept in this country and used to finance the war. The deciding factor in war is whether the country can continue to produce goods or not, and whether the people can maintain a stable condition or not.

Judging from our present situation, we are unable to fulfil. these conditions. Special attention should be given our overseas Chinese, however, as they can help greatly in this respect. It is important to encourage overseas Chinese to invest their money in the interior of China for the development of agriculture and industry, so as to strengthen the country materially for the carrying on of the present war.

Together with the development of industry, agriculture, and mining, we must obtain as much muterial assistance as possible from abroad. Before agriculture, industry, and mining can be developed in the interior we must have concrete material assistance from overseas Chinese. Their position in foreign countries o nable them to assist their fatherland in this respect. Overseas thinese in 1935 had control of rice valued at some 50,562,000 Customs Gold Units, sugar valued at 

ر ين ريد الايد الايد السحم محمد

Customs Gold Units, 5,280,000, diesel oil valued at Customs Gold Units 6,583,000, lumber oil at Customs Gold Units 2,346,000, and gasoline and other mineral oils to a value of Customs Gold Units 14,000,000. All these commodities can be supplied to meet the demands in this country in connection with military operations. If we have to purchase these commodities from foreign countries, it is far the best plan to buy them from overseas Chinese.

256 VO

China has more than 450 million people. There is no problem of finding enough people to fight on the battle-fields. We have the serious problem, however, of finding sufficient trained men and technicians in various lines. This problem can be solved by the overseas Chinese, who include engineers, minors, physicians, air pilots, etc. Many have had experience in the construction of the naval base at Singapore, or in other military construction work abroad. Arrangements must be made by the authorities to bring these technically prepared men home to fight for their fatherland. -- "Kuo Wen Weckly," Vol. 14, No. 46.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittm D. Sustafan NARS, Date 12-18-75

CHINA AND THE SOVIET UNION

By Prof. Tao Hsi-sen

In August this year, people in Nanking had great expectations with regard to the Soviet Union. By the latter part of October, well-informed circles feared that these expectations would not be realized, judging from the indifferent attitude of the Soviet authorities. By November, disappointment was being strongly expressed at the lack of assistance from the Soviet Union.

It was at first expected that a Sino-Soviet mutual assistance pact would soon be signed, that Outer Mongolia would be returned to China, and that Mongoliam or even Soviet troops would attack the Japanese positions in the four northeastern provinces. It was generally believed that because of her geographic position in the Far East, Soviet Russia would sooner or later come to China's assistance.

Gradually, as no material assistance was forthcoming, these expectations died. The Sino-Soviet Non-Aggression pact was concluded, but there was no report of a Mutual Assistance Pact. Nothing was done by Outer Mongolia or by Soviet Russia to give definite assistance to China's armed resistance. People were greatly disappointed over Russia's attitude.

These people, however, expected too much. They failed to understand the international situation, and particularly Russia's international position.

First of all, Soviet Russia has abandoned the slogan of world revolution, owing to the reactionary international developments of the past ten years, and has concentrated its efforts upon building up a strong country in its own vast territories. It advocates peace, and strives to join hands with all peace-loving countries. It has continuously tried to meet international changes by its peace policy, which has assisted much in successfully establishing its position in the family of nations. This peace policy has freed Soviet Russia from the isolation which faced her after the October Revolution. It is unlikely that she will change her policy, and take action independent of the United States and Great Britain, -- such as concluding a military alliance with China, and again isolating herself from other countries.

Secondly, though the Sino-Japanese conflict in North China greatly concerns the Soviet Union, the conflict in Central and South China is of greater concern to the United States and Great Britain. China should join hands with all countries opposed to Japanese aggression. China should take advantage of the contradictions between Japan and the Soviet Union, Japan and the United States, Japan and Great Britain, so as to bring these Powers to take an active part in the present struggle, and to assist China. Attempts should be made to bring those Powers to adopt a common attitude and policy in the Far East. It is wrong to expect too mach

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin D. Dustafam NARS, Date 12-18-75

from the Soviet Union alone. Soviet Russia can only assis t China in co-operation with the United States and Great Britain.

Thirdly, it would be most disadvantageous to the Soviet Union to take a strong attitude against Japan by assisting China at the present moment, without the co-operation of America and Great Btitain. Such a development would intensify the contradictions between the Soviet Union and Japan, but would reduce those between Britain and Japan, and between the United States and Japan. In such an event, Britain and the United States and Japan might draw closer, again isolating the Soviet Union. It is only natural, therefore, that the Soviet Government should walk side by side with those of America and Great Britain, rather than take any definite action alone, and go ahead of the United States and England.

Fourthly, Germany has no direct relation in China in respect to the Sino-Japanese conflict. Germany is greatly interested, however, in the munitions business, and in this aspect of the China market. If Soviet Russia takes as trong and definite policy, it will push Japan and Germany closer together, and they may formally conclude a military alliance. China by this would lose one source of munitions, and Japan would gain a definite military ally. In such an event Soviet Russia would again have to shift her attention to Europe, the net result being that China would have to fight her war just as at present.

For these reasons, the little group of people who called for close co-operation with the Soviet Union alone, and who expected everything from the Soviet Union, are quite in the wrong. The present situation gives no cause for disappointment. That no material assistance has been received from the Soviet Union does not mean that no assistance will be given by the Soviet Union in the future.

With regard to this it must be stated, first of all, that Soviet Russia has taken a very calm and cautious attitude towards the Far Eastern conflict. From the very beginning, she has made few promises of any kind. Soviet diplomats have repeatedly made it clear that China has one enemy in Japan, while Soviet Russia has many enomies. At the time the Sino-Soviet Non-Aggression Pact was signed in Nanking, Soviet diplomats stated clearly that Soviet Russia had no intention of taking mrt in the war. Their only promises were of assistance other than military. All other expectations had their origin in the minds of Chinese politicians or Chinese political writers. Soviet Russia cannot be held responsible for these promises of Chinese politicans and publicists.

Further, we must remember that Soviet-Japanese contradictions will always be advantageous to China. Soviet-Japanese conflict, or Anglo-Japanese conflict, will all be good for China. But why should we expect more from Soviet Russia than from Great Britain? We should not hope for too much, and we should not be too easily disappointed. In any case,

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Soviet Russia will remain a most important element in the international movement for collective security, and will remain one of China's best friends. We should cultivate this friendship, and establish closer relationships with her as with other Western Powers.

A certain group of persons is actively exploiting this disappointment of the Chinese people with regard to the Soviet Union. This group is trying hard to drive a wodge between China and Soviet Russia. It hopes that China and Soviet Russia will never join hands for common action. No Chinese, however, should feel such terrible disappointment with regard to Soviet Russia. No Chinese should play into the hands of these people who want to separate China from Soviet Russia.

China's foreign policy is one of peace. China's diplomacy should be one aiming to join hands with the United States, Great Britain, France, and Soviet Russia, -- the "peace front" Everyone who loves China should take a reasoned view of relations between China and Soviet Russia. Everyone who loves Soviet Russia should take a reasoned view of relations between Soviet Russia and China. Too much propaganda in one direction will inevitably have an undesirable reaction, and such a reaction may often work real harm to a country.--- Sao Tang Pao, Hankow, November 22.

THE ITALO-GERMAN-JAPANESE PACT AND THE FAR EASTERN WAR

By Chu Yu-kwen

The Anti-Communist Pact between Italy, Germany and Japan was signed in Rome on November 6. This was undoubtedly one of the most important international agreements of 1937. It must be pointed out, however, that this Pact is not a new thing. The only new feature is Italy's adherence to the Anti-Communist Pact. Since its conclusion between Germany and Japan in Berlin, on November 25, 1936, much was reported about Italy's readiness to join the pact. As carly as Docember 2, 1936, a joint statement was issued by Italy and Japan, following a series of conversations between representatives of the two countries, declaring that Japan would open a Consulate-General in Abyssinia and that Italy would open one in Mukden, and that the two countries would respect one another's rights in these areas. In other words, for almost a year these two aggressive Powers have recognized the fruits of one another's aggressive actions.

Despite numerous reports, Italy joined the Gorman-Japanese Anti-Communist Pact only on November 6, at a time when the Sino-Japanese conflict had developed to a most critical stage, and when the Spanish civil war had been under way for a year. The agreement was signed at the Palazzo Venezio, in Rome, by Herr Joachim von Ribbentrop, representing Germany, Count Ciano, representing Italy, and the Japanese Ambassador to Italy.

To understand the object of this tripartite agreement, it is necessary to analyze the German-Japanese anti-Communist Pact signed last year. First, it must be mentioned that the German-Japanese pact was but a smoke-screen. Its "anti-Communism" was but a synonym for the aggression of the two aggressive Powers. The year 1936 will go down in history as one of the most important years, because it was then that two great political camps were formed in the world. One camp formed the "aggressive front," while the other fermed the peace front.

In the Spanish civil war one can clearly see these two camps at work. Though Japan has taken no part in the Spanish civil war, Japanese politics have been dominated by militarists and a military dictatorship reigns in Japan. This dictatorial form of government has restricted the political activities of the Japanese people. Exploiting the Japanese masses, the militarists are making preparations for the second world war. Japan's ambition is not only to conquer China, but to extend her control over the entire world.

The invasion of Chinese territory needs a pleasant-sounding name. The Japanese need some kind of pretext to justify their military operations, so as to obtain some sympathy from the United States and Great Britain. An appropriate

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pretext is used in an attempt to stop any intervention from these Powers. Since September 18, 1931, Japan has repeatedly announced to the world that she has no territorial ambitions in China, and that her actions in this part of the world are but an attempt to "save China from Communism." Japanese military operations here are but a prelude to a general attack against the Soviet Union. Setting the "anti-Communist" trap, the Japanese hope that China will fall in line with her for a joint attack upon the Soviet Union. "Anti-Communism" is but another term for aggression in China.

Knowing the military strength of Soviet Russia, Japan must seek cooperation in Europe. There she found her ally in a European country which was also eager to carry out a ggressive activities, and meanwhile wished to use an "anti-Communist" smoke-screen to achieve its purposes. Thus, the "anti-Communist" pact was signed in Berlin on December 25, 1936.

Italy is fundamentally a Fascist state, opposing both democracy and Communism. She also has great ambitions outside her borders. She swallowed up Abyssinia, and is now causing trouble in the Mediterranean. More than 100,000 Italian soldiers are how fighting in Spain. To justify her aggressive actions, Italy also wanted to utilize the smoke-screen of "anti-Communism". According to these three Fascist countries, Communism will "destroy world civilization and peace." But "anti-Communism" is a synonym for aggression, and the tripartite pact is therefore a synonym for the aggressors front.

Italy's recent adherence to the German-Japanese Anti-Communist Pact was due to international developments during the past few months. In the Far East, Japan's invasion of Chinese territory was condemned by all peace-loving countries. The resolution of the League of Nations, and the statement of the American State Department, unanimously condemned Japan as an aggressor and violator of international agreements. In this situation, when Japan was invited to attend the Nine-Power Conference at Brussels she refused, and urged Italy to join the German-Japanese anti-Communist Pact so as to enlarge the aggressors' front as an answer to the "peace front" of Britain, the United States, France, and Soviet Russia. That Japan refused to attend the Nine-Power Conference, that a tripartite agreement was signed at that time, and that Japan asked Germany and Italy to mediate for peace, are features dictated by the same policy of dividing Great Britain, the United States, France, and the Soviet Union, and prevent their taking any definite and combined action in the Far East. The conclusion of the tripartite agreement on November 6 was Japan's attempt to get away from her isolation from the family of nations. It was an attempt to elevate her position in relation to the Nine-Power Conference, which she refused to attend.

Secondly, it must be noted that Italy wanted to compromise with Great Britain, and was for a time not willing to establish the so-called Kome-Berlin axis and increase difficulties in the way of Anglo-Italian co-operation. Conflicts between Italy and Great Britain in the Mediterranean, however, had by the end of October reached such a stage that there was no chance for conciliation. Italy, therefore, reluctantly joined the German-Japanese Pact, so as to compel Great Britain to give way.

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Thirdly, Germany was also eager to see Italy's adherence to the anti-Communist Pact, so as to strengthen the aggressors! front. Germany is determined to obtain the restoration of her former colonies. To attain her ambition, she must increase her strength by co-operation with Japan and Italy.

Considering the international situation, therefore, the tripartite "anti-Communist" pact is an agreement of great It is all the more important in view of reports importance, that secret military clauses were concluded between the signatories, supplementing the open "anti-Communist" pact. Knowing all this, it is clear that the tripartite pact is an alliance of aggressor states. Using "anti-Communism" as a smoke screen, they have thrown a bomb into the world to test out the situation. From now on, Japan can carry out her aggressive activities in china without fear of intervention. To the Nine-Power Conference she could adopt a strong and firm attitude, twice rejecting invitations to attend. Despite German and Italian statements that they would remain strictly neutral in regard to the conflict in Germany and the Far East, facts have shown the contrary. Italy have contributed materially to Japan in the invasion of Chinese territory. Recently, Japan has been asking Italy and Germany to arrange a truce with China. This reveals. Chinese territory, Japan's diplomatic activity, utilizing Germany and Italy to strengthen her position in relation to the Nine-Power Conference, preventing it from interfering with Japanese military operations in China, and again trying to utilize Germany and Italy to break down the firm determination of the Chinese Government and people to carry on their armed resistance to the bitter end. It is reported that Herr Hitler suggested to General Chiang Po-li that it would be wise for China to join the "anti-Communist" pact. This is but one of the traps of Germany and Italy. Has not Il Duce also "advised" China to seek peace with Japan?

Japan has used different methods to force China to join the "Anti-Communist Pact". Her purpose is to force millions of Chinese to fight for her against the Soviet Union. may happen, however, China will not fall into this trap and join the Anti-Communist Pact. Meanwhile, we want all Germans to recognize the fact that it is absolutely wrong for Germany to tenderus advice to join the Anti-Communist Pact. It is also wrong for Mussolini to regard the present Japanese military operations in China as a war against Sovuet Russia.

Even if Italy, Germany and Japan had not concluded the tri-partite anti-Communist Pact at this time, the two distinct camps would have been formed the world anyway. know that certain countries are aggressive, and certain countries are peace-loving. With the conclusion of the recent pact, however, the distinction has been more clearly marked. It must be added that as a result of the pact, the joint front of the United States, Great Britain, France, and Soviet Russia has been further atrengthened.

In conclusion, it must be stated that the only way to meet the situation created by the conclusion of the tripartite agreement is to organize the democratic countries of the world for cooperation to strengthen the foundations of collective security. In the belief that peace is indivisible, these peace loving countries should take definite action to check the aggressors. If the peaceful Powers are over-cager to compromise with the aggressors, there will be no peace; there can be no peace. - "Kuo Wen Weekly," Vol. 14, No. 45.

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### CHINESE PRESS COMMENTS

### 1. RESISTANCE TO THE LAST -- CHINA'S ONE CHANCE

The present situation is regarded as very tense, says the "Ta Kung Pao" editorially on December 11. because of the fierce attack upon Nanking by the Japanese troops, and also because of reports from Tokyo that following the cepture of Nanking the Japanese troops will push further westward into the interior. As early as November 30, in fact, when the German Ambassador went from Hankow to Nanking to make peace proposals to General Chiang Kai-shek, there was not lacking a "peace atmosphere" in Hankow and Nanking. China had no desire to make war on Japan. If Japan will cease military operations China is ready to discuss peace, -- on the principle of respect for China's territorial and administrative integrity. This, it is reported, is what General Chiang told the German Ambassador with regard to the peace proposal.

In his interview with German newspaper correspondents at Hankow on December 5, Mr. Wang Ching-wei, Chairman of the Central Political Council, declared: "If Japan shows by an offer of acceptable conditions that she sincerely desires peace, the Chinese Government is willing to terminate the conflict at once and begin friendly co-operation with Japan." With regard to the "acceptable conditions," Mr. Wang referred to what General Chiang has repeatedly emphasized, -- "respect for China's territorial and administrative integrity and national sovereignty." This is where we stand. If J. pan does not simply want to subjugate China, and desires to maintain peace and order in the Far East and save the Yellow Race from fearful suffering, it will not be difficult for Japan to obtain peace -- as soon as she changes her present policy.

The present attitude of Japan indicates that she considers herself the victor. She has even threatened to withdraw her recognition from the Central Government of China, and wants to completely subjugate the country. Japan has further alleged that the offer of mediation by third Powers has been requested by China. From all this it is apparent that Japan wants to further expand the present hostilities, and has no intention of repenting her conduct. As a result, there are no further reports of the German Ambassador's efforts to mediate, and reports from Tokyo reveal more and more the determined attitude of the Japanese Government. In this situation, there is no alternative for China. Her only chance, her one duty, is to resist to the last.

Knowing the military strength of Japan, the Chinese people well know what is meant by resistance to the last. It means supreme sacrifice and suffering. This, however, the Chinese people are prepared to undergo in fulfilling their duty to protect their fatherland. It must be noted that the present movement in China, for the strengthening and unification of our country, is fundamentally the same as that of the Restoration movement in Japan seventy years ago.

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The struggle will be one without end. But we realize that a high price must be paid for our national emancipation. Whatever suffering is in store, we are ready to carry on our work. That China suffered military reverses in the early stages of the war did not surprise the people. With its corrupt and loose political structure, its complicated and poorly unified military organization, China can put up effective resistance only after the internal conditions are revolutionized. China's task, therefore, is one of improving her political organization internally, and of obtaining national emancipation externally.

Though China has suffered much as a result of years of civil war, the country is now united. Troops and people are striving towards a single goal. This united front is the great and real strength of the country. At the present time there will be no internal disputes. The Japanese leaders are mistaken in the idea that they can separate the Chinese people from the Chinese Government.

Judging from present Japanese attitudes, Japan may present a number of demands to the Chinese Government, and try to compel it to accept them. These demands will mean complete Chinese surrender to Japan. If they are accepted by the Chinese Government it will mean a split in the Government, and the unity of China will again disappear. Then there may be a danger of the disintegration of the Chinese nation.

We sincerely believe that our Government will never accept these demands from Japan. Because of this, we are convinced that the only path for us is resistance to the bitter end.

#### 2. THE ORIGIN AND AIMS OF "MEDIATION" TALKS

Down to July 7, the date of the Lukouchiao incident, Chinese authorities kept up an attitude of tolerating Japanese enoroachment, says a special article in the Ta Mei Wan Pao, morning edition, December 9. Down to that time the Chinese Government hoped to reach some compromise with Japan so as not to further aggravate Sino-Japanese relations. Those who advocated war were not permitted to speak of war. During the six years from the Mukden incident to the Lukouchiao incident there was an era of great forbearance. The people's feelings were suppressed, and they could not even express their desires.

From the Lukouchiao incident on July 7 to the outbreak of the Sino-Japanese war in Shanghai on August 13, a period of more than a month, those who still wanted peace continued to advocate peace, but those who called for war made their voices heard also. No decision was made for a time regarding peace or war, but the situation became daily more serious.

With the outbreak of the war in Shanghai on August 13, Chinese military leaders decided to fight. With the full support of the Chinese people, armed resistance was started against Japanese invasion. The peace advocates could then no longer speak of peace. Though they dared not openly advocate it,

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however, we can still see their policy of surrendering to Japan, even while they write about "armed resistance." They are waiting all the time for a chance to raise their heads again.

With the withdrawal of Chinese troops from the Shanghai area, the advocates of peace (i.e., the advocates of surrender to Japan) became very active for a time. Condemned by public and mass opinion, however, they quickly shut their mouths again.

With the worsening of the military situation on the Nanking-Shanghai line -- despite a number of important Chinese victories south of the Tai Hu -- the peace advocates again became active when Dr. Trautmann, German Ambassador to China, offered to mediate for peace between China and Japan. These people express the opinion that it would not be wrong to at least try to talk peace.

Should we really try to talk peace? Press reports show that one of the five conditions for an armistice is the recognition of "Manchukuo," and another is the joining of the Anti-Communist Pact; still another is the reorganization of the Kuomintang. It is apparent that the acceptance of any of these conditions makes it possible for Japan to destroy China.

Do we know why we are resisting? Do we know why Japan is invading our territory? If we know the answers to these two questions, every thinking and patriotic Chinese knows that conditions acceptable to China cannot satisfy Japan at present, and conditions acceptable to Japan cannot be accepted by China.

Well knowing that the Sino-Japanese conflict cannot be mediated, and that the conflict cannot be settled without a fundamental change in Japanese policy, why do these people still want to talk of "mediation," or "peace?" The answer is that they are still too much devoted to their private and personal interests. They have not yet put national interests before their private interests. Fearing that their power will be diminished and their personal interests endangered, they are prepared to sacrifice their fatherland and to surrender to the enemy.

Ohina is not Spain. When the Chinese army and people are united, in their overwhelming numbers, and determined to struggle on for national emancipation, no Chinese Franco can do what General Franco has done in Spain. He will be crushed before he is able to carry out his mutinous and treacherous plans.

### 3. PEACE OR WAR?

Because of the refusal of Japan to attend the Nine-Power Conference, says the "Ta Kung Pao" editorially on December 7, the attempts of the various Powers to mediate for peace in the Far East came to nothing. Recently there have been reports that the German Ambassador has offered to mediate for peace

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between China and Japan. On November 30 Dr. Trautmann, German Ambassador to China, went to Nanking from Hankow to call on General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission. The Ambassador left Nanking, however, without coming to any definite arrangement.

So far, details of these Nanking negotiations are unknown to outsiders, and such diplomatic activities are naturally secret. One thing is clear to everyone, however, Dr. Trautmann's visit to Nanking could not have been an individual move, and his action towards mediation could not have been as simple and tentative as we are informed.

We believe that Japan holds the key to peace or war in the Far East. Fundamentally, China has no intention of attacking Japan. From July 7, following the Lukouchiao incident, to August 13, when Sino-Japanese hostilities broke out in Shanghai, Japan had persistently aggravated the situation in an attempt to beat China to her knees. The Japanese failed to understand that Sino-Japanese problems could not be solved by military force. Because of early successes in military operations, Japan's lust for conquest was sharpened. But simultaneously, because of the military reverses, the Chinese people have become all the more determined to resist. At present, we believe Japan expects to occupy Nanking, thus completing one stage of her military operations. We sincerely believe, however, that the capture or non-capture of Nanking will not solve the basic problems between China and Japan.

Chinese military forces over the entire country have been mobilized in order to resist Japan. Chinese troops from Szechwan, Kweichow, and the southwestern provinces are now concentrated around Nanking, ready to put up a grim resistance against the Japanese invadors. The present situation is far different from that of the former days of military rulers over distinct provinces. Today, millions of persons remaining in areas from which Chinese troops have withdrawn, both in the north and the east, are ready to make sacrifices and live a most difficult life. These people hope that the authorities may i prove the military organization and strengthen their forces, so that still more land will not be lost. None of these people differ from the Government as to putting up armed resistance. That this is the case is due to the fact that everyone knows we are now fighting for our national existence. We are compelled to fight. However much we want peace, we cannot maintain peace alone. This attitude of the people is different from that of former days, when everyone centered his attention on his private interests. In the present situation it is clear that a solution of the Sine-Japanese conflict must be sought otherwise than by military force. Peace can only be restored if Japan wents it.

War between two nations is an abnormal international situation. Whatever difficulties may exist, the two combatants will some day improve their relations. Not only in time of peace should two countries improve their friendly relations, for the preservation of peace, but also in time of war they should not forget that the restoration of peace is most

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beneficial to both parties. With this conviction, we do not oppose peace, and hope it will be restored as seen as possible. As we believe that it can be restored only by other means than military operations, we consider diplomatic negotiations are necessary for its restoration and maintenance, and that the success or failure of military operations are minor matters. If the victors try to oppress the vanquished, and the losers try desperately to avenge themselves, hatred between the two combatants will be increased, and no real peace can be attained. The ultimate result of such a situation is the destruction of both parties.

We do not have to go back to ancient history to domonstrate this point. During the World War millions of persons were killed, and billions of dollars! worth of property destroyed. But what problems did the war solve. Since the Mukden Incident of 1931, Japanese military operations have gained much territory for Japan. But the feeling of the peoples of the world, as well as of the Chinese people themselves, are driven further and further away from Japan. We believe that intelligent and far-sighted Japanese must feel the isolation of their country. Japanese shells and bombs may destroy China now, but the Japanese will regret these acts in the future. We do not believe that there are no patriotic and far-sighted Japanese wishing to preserve peace in the Far East and save this part of the world from turmoil and conflict for a century.

Prince Konoye on July 11 decided to send troops to China, and started military operations on a big scale. To avoid further aggravation of the situation, Prince Konoye cannot escape responsibility for taking some definite action. He should take a courageous step to restrict military operations.

So long as the Chinese people are determined to resist Japanese invasion, the Japanese forces cannot defeat the Chinese even if Nanking or even Hankow is captured by the invaders. If Japan will first stop her military operations, unconditionally, it may be possible to talk of peace. Otherwise the Chinese people will resist to the last, and are prepared to die together with the Japanese.

### 4. WHY GERMANY TRIES TO MEDIATE IN THE SINO-JAPANESE CONFLICT

More than a hundred days after the outbreak of the Sino-Japanese war, Italy extended recognition to the puppet state of "Manchukuo," notes a special article in the morning edition of the "Ta Mei Wan Pao" of December 5. This action on the part of Italy showed clearly the real face of the "anti-Communist" front. Simultaneously, the German Government instructed its ambassador to China to go to Nanking to mediate a truce between China and Japan. Despite denials in various quarters, it is evident that attempts have been made by the Germans to mediate for some kind of settlement.

It is reported, continues the writer, that three conditions have been proposed by the German Ambassador, of which only one cannot be accepted by China, this one being adherence to the Anti-Communist Pact. But it must be stated that the second condition, setting forth the real intentions of Japan in North

China as merely economic and not territorial occupation, is undeniably mere empty talk. Has Japan admitted having any territorial ambitions in Manchuria? But she has nevertheless occupied the four Northeastern provinces. Have we forgotten that prior to the occupation and annexation of Korea, Japan concluded an equal and reciprocal agreement with the Koreans?

From another report it is learned that the conditions set forth by the Japanese as a basis for peace discussion are: 1) The organization of an autonomous government in North China, with Japanese advisers; 2) the establishment of a Japanese Concession in Shanghai; 3) the revision of Chinese Customs tariffs, and other political and military conditions. Understanding this situation, it is not difficult to believe the real motives of the "anti-Communist" allies. As General Chiang Kai-shok has well said, "Compromise at the present time is no different from surrender."

How is it, asks the writer, that Germany wants to mediate for a settlement at this time? The matter can be analyzed in two ways.

First of all, we must know that final victory can only be decided at the last moment. Victories in the early stage of the war will not decide the ultimate outcome of the conflict. The ancient warrior Han Yu won 72 battles, but he was at last defeated, and committed suicide at Wukiang. Napoleon won battle after battle, and occupied Moscow, but he was defeated in the final and decisive conflict. In the World War, we know that Germany was defeated only in the last year.

Because of her geographic position, Japan was in a better position to transport her troops at the beginning of the Russo-Japanese War, and scored many victories. At the time, far-sighted Japanese statesmen were very anxious about the final out one of the war, and because of this the Japanese accepted willingly the American offer to mediate. Otherwise it would be difficult to say who would be the ultimate winner of the Russo-Japanese War. The attempt made by the German authorities to mediate is the same as that made in the days of the Russo-Japanese War.

From another angle, we can also explain the present German action by her economic interests in China. During the past few years China has become one of the important countries in German forcign trade. Following the outbreak of the Sino-Japanese hostilities Germany, unlike Italy, did not take definite sides with Japan. It must be said that Germany has so far expressed, verbally, sympathy with China. As to her definite actions, she has assisted Japan. Though German relations with China are evident, we must not be misled into believing that the friendly Sino-German relations will alter Germany's attempt to mediate for peace is an attempt to maintain the victory which Japan has so far attained, because if the war carries on it will be difficult for the Japanese to maintain their gains. As Japan is Germany's ally in the Far East for an attack upon Soviet Russia when the time comes, it is but natural that Germany will protect Japan's interests and Japan's military strength in the Far East.

CHINESE OPINIONS ON CURRENT EVENT

(TRANSLATED FROM CHINESE PERIODICALS)

Proprietor and Editor: Fang Fu-an

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CONDITIONS FOR OUR ULTIMATE VICTORY IN THE PROTRACTED WAR

By Gen. Fang Teh-hwei Former Commander of the Chinese Red Army

For three months, China has fought Japan under a United front, It is important for us to realize the fact that Japanese Imperialism is a strong opponent. We should not under-estimate her power but at the same time we should have confidence in ourselves to defeat her eventually in a protracted war. In this article an objective analysis of the situation will be made in order to give us a perception of the great task which we have now undertaken.

The armed-resistance in the past three months has taught us many bitter lessons. The military reverses of the past three months will not determine the ultimate victory of the present armed struggle, but if we fail to remove the obstacles which we experienced during this period and to adopt new measures to supplement our forces we shall eventually be defeated. It is imperative for us to find out the conditions to ensure final victory and strive toward the goal in fulfilling these conditions.

The military reverses in the past few months are not due to the lack of strong determination on the part of our leader to resist Japan. It is not due to the lack of courage or bravery of our soldiers. In fact the determination ofour leader and the bravery of our soldiers have aroused great admiration from our friendly Powers. Even our enemy has admitted the extraordinary bravery of our troops. Our weaknesses are found in the general mobilization of thepeople against Japan and the direction as well as the plan of military operation.

Militarily China is much weaker than Japan. Because of unequal treaties, China has failed to fortify her coast and has allowed the Japanese troops to establish a number of fortresses in the Chinese territory. As a result of long civil wars the Chinese navy hasnot been developed. Under this condition, it is most difficult to stop the Japanese troops from landing on the China coast. Meanwhile it is most difficult for the Chinese troops to drive out the Japanese troops from the Chinese territory. For this reason our only hope is a protracted war, during which we must try to exhaust Japan, so as to compell her to give up her aggressive actions.

It must be noted that military strength can be easily changed during the period of hostilities. It is very likely that our military strength will increase and Japanese military strength will decrease as the war goes on. There are numerous historical incidents, when a weak nation succeeded in conquering

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strong nation. During the early stage of a war, the weak nation may be very weak but as the war goes on, her strength may be doubled or even tripled. With a history of several thousand years, with a population of 450,000,000 men, with great natural wealth, and with the courage to preserve our independence, China can defeat the enemy, as longas she can fulfill the conditions necessary to carry on a protracted war.

During the protracted war, we must develop the strength of our people under the conditions of improving their livelihood and organizing a domccratic form of Government. Under this situation the large number of Chinese citizens can become one united whole, as strong as steel to protect the independence of our country. Under the ladership ofour Government and under the banner of national emancipation, our people will be able to fight with all their might.

During the protracted war, Japanese industry will be crippled. As she will not be able to develop the territory occupied for years to come, Japan will find it more and more difficult to carry on the war. As a result of the suffering of heavy losses of men in the battle fields, Japan will find it difficult to enlist enough men to carry on the war. Even these who are in the fronts will be unable to fight because of the death of large numbers of their follow-soldiers. The masses in Japan as well as the lower ranks of officers will gradually oppose war. This opposition will grow and together with the revolutionary movement in Manchuria and Formosa, China will be able eventually to defeat Japanese Imperialism. During a protracted war, the aggressor cannot develop her strength. Instead her strength will be reduced and her united front will be weakened.

Economically China is nothing but a semi-colony. Japanese goods are being dumped in our markets in large quantities, which have crippled our industry and commerce. The outbreak of the war, especially the blockade of the China coast, has made it imperative for the Chinese Gwernment and the people to develop industry in the interior to meet the urgent needsof the troops and the people. This will eventually make it possible for China to become an industrial country. With the decrease of foreign imports, the economic condition of the people may be improved to a certain extent. With the introduction of trade control and the projects of developing home industry and commerce in general, China will solve to a great extent her agricultural problems in the interior. With the confiscation of the property of the traitors and contributions from rich, China will be able to finance her war for an indefinite time.

The situation in Japan is different. Japan is lacking in every kind of raw material. Her agricultural products are not strongly developed and depend on foreign countries for the supply of raw materials. Eventually Japan will face a serious bankrupt situation both financially and industrially.

Militarily, there will be a similar change as the protracted war is carried on. Our troops are not as good fighters as the Japanese soldiers. This does not mean that we cannot train them into better fighters. Our fighting weapens are not

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as good as the Japanese, but we may obtain them from our friendly nations and we may seize them from the Japanese.

Internationally speaking, the same situation prevails. Japan's aggression of China has already aroused strong opposition from the foreign Powers. If China can resist Japanese aggression year after year without end, the Powers will come to our assistance. The more determined we are to resist the aggressor, the more likely we shall be to receive foreign assistance.

The present war is a war of defence so far as China is consermed. The military tactics which we should adopt a re therefore to preserve our territory. It must be noted, however, that only through defence, we cannot protect our territory. We should therefore, adopt offensive tactics to defend our territory. This can be called positive defence. Under this kind of military tactics we should concentrate our troops and deal a serious blow to the enemy before they have strongly established themselves in our territory, in an attempt to reduce as much aspossible the strength of the mechanised units of the enemy. We should also adopt guarrilla warfare tactics. By guarrilla warfare we can succeed in separating the Japanese forces into small units, so as to make it possible for us to wipe them out one by one. By guarrilla warfare we can out off the Japanese troops from their rear, so as to make it mepossible for them to receive supplies. By guarrilla warfare we shall be able to make it possible for our regular troops to defeat the Japanese on the main railway lines. It may be noted that guarrilla warfare is offensive in nature.

A foreign military expert once declared that China can defeat Japan if ten Chinese soldiers can kill one Japanese soldier. According to this military expert, by this method Japan will eventually find no men to carry on the war against China. This observation is, however, not correct. In a war we must sacrifice as little as possible and make the enemy sacrifice as much as possible. This does not mean that we are afraid of sacrifice but that we will not sacrifice meaninglessly. We must fight so as to make the enemy sacrifice more.

As we are weak in the fighting capacity, we should not seek for victories. We should engage the Japanese in as many battles as possible. We should avoid their main forces and attack their rear and their flanks. We should avoid their heavy artilleries and engage them in hand to hand encounters. To exhaust the Japanese troops as well as Japanese war supplies, it is imperative for us to arm ourpeople. It is only when all Chinese are soldiers, that we can succeed in fighting the Japanese whenever they go. In this way, they will be attacked everywhere, even in the areas where they have already occupied. In defending a city or a town, our main forces should be stationed in the rear and launch surprise attacks on the Japanese invadors. In our offensive attacks we should concentrate our main force in the front and deal a quick and heavy blow to the invadors. There is not much need to keep a large reserve at the rear. Our troops should take the initiative both in offensive and defensive measure.

Our hope is in a protracted war. To carry on a protracted war we must mobilize the entire people of the country, train them, arm them, so that they can participate in the guerrilla

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warfare. So far we have failed to mobilize the entire people of the country. We have not made it possible for every Chinese to fight the Japanese invadors. It must be noted that the real strength of China lies in the people. Only when the entire people stand up as one man to fight Japan, can we expect victory. No one needs to be afraid of the strength of the people, except the Japanese. Under the teachings of Dr. Sun Yat-son we must organize the people, train the people and let them join the mational struggle for emancipation. To make it possible for every Chinese citizen to sacrifice for their country, we must improve their livelihood, protect their families, and increase their confidence in the Government by placing the Government on the basis of democracy.

Conscription cannot force the people to join the army to fight the aggressor. Only through Dr. Sun's principles of nationalism, democracy and livelihood can we make the people sacrifice for their fatherland. With the mobilization of our people, we shall automatically be able to strength our material force and finance the protracted war. When the people are mobilized there is no distinction between soldiers and civilians. Close co-operation will be maintained between them.

In the above paragraphs I tried to point out the definite changes to take place during the protracted war. But nothing is decided by fate. We must struggle for our victory. We must remedy our weeknesses and expand the war so as to make it possible for everyone to participate in the fighting. By so doing, we may be assured that the final victory is ours.

"Ohion Woi Fortnightly" (Front Guard Fortnightly) Vol. 1, No. 1, November 16, 1957.

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# ANALYSIS OF THE TRIPARTITE ANTI-COMMUNIST PACT

### By Chang Ting-kuo

In principle we may say that the Nine-Power Conference held at Brussels was called to condemn and punish the violator of international agreements. Before the Conference could decide anything however, the aggressors were extremely active diplomatically, and on November 6 concluded the tripartite anti-Communist Pact at Rome. This pact is a direct threat to the Brussels Conference.

According to the contents of the Pact, Germany, Italy and Japan will act collectively to check the influence of Communism. But how, or by what action, will these three Powers check the spread of Communism? Except the provision for the establishment of a joint committee to seek common action to check Communist influence, the Pact fails to give definite and concrete measures to be taken by the three Powers. Because of this, it is generally believed that in addition to this pact these three Powers have concluded a secret military alliance. Although the German, Italian and Japanese authorities have repeatedly denied the signing of any secret military clauses, the suspicions of political observers have not been lessened.

When the Anti-Communist Pact was signed between Germany and Japan last year, British, American, French and Soviet newspapers all reported secret military clauses between these two countries. These reports declared further that Japan and Germany had agreed to divide the Dutch East Indies and India between themselves. When the tripartite anti-Communist Pact was signed, similar allegations were reported in the world press. Madame Tabouis, noted French journalist, declared that definite measures were agreed upon by the three Powers to co-operate in the Indian Ocean and the Red Soa. Even the Italian newspaper, "Gaydo", reported that "as a result of the conclusion of the Pact, Germany, Italy and Japan will together have 30,000,000 soldiers and 2,000,000 tons of warships, which serve as a serious warning, and are of great political significance."

It must be noted that this Pact is an ideological bloc.

Germany, Italy and Japan are Fascist countries. This Pact has Fascism as its common starting point, and anti-Communism as its common objective. Its signers expect that other countries, such as Portugal, Poland and Brazil, will join this Pact, and extend it to a number of other countries. The expansion of this ideological bloc will force other countries to form another ideological bloc, and will in turn greatly threaten world peace. It is for this reason that American, British and French statesmen have openly denounced this Pact,—not to mention Soviet Russia, against which this Pact is directed. When Japan and Germany concluded the Anti-Communist Pact last year, Soviet Russia refused to sign the Soviet—Japanese Fishing Agreement. When Italy joined the Anti-Communist Pact this year, Soviet leaders denounced it strongly in their addresses at the 20th anniversary of the October Revolution, and declared that this action on the part of Italy

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is contrary to the spirit of the Soviet-Italian Agreement of 1955. The Soviet leaders further made it clear that they are prepared to give blow for blow against any Fascist invasion of Soviet territory under the smoke screen of anti-Communism.

Although this Pact is nominally one against Communism, all three Powers area cting for the purpose of expanding their influence over weak and oppressed nations. Consequently, this Pact will directly and indirectly affect the United States, Britain, and France, as well as weak and oppressed nations. The foreign policies of Germany, Italy and Japan are similar in nature, and aim at territorial expansion. Japan's invasion of China, Italy's occupation of Abyssinia and attack on Spain, and Germany's demand for the recovery of the colonies, are definite proofs of the ultimate aims of those three countries. They are undoubtedly serious threats to world peace.

From the second article of this Pact, we can see clearly that the three countries will not confine their anti-Communist activities to their own territories. The three countries are ready to interfere with the internal affairs of any third country on the pretext of suppressing Communism. In other words, they will carry out their aggressive activities under the cleak of "anti-Communism." Japan's invasion of Chinese territory, and the participation by Italy and Germany in the Spanish civil war, are treated by this Pact as anti-communist activities.

As this Pact is aggressive in nature, it will not only affect Soviet Russia, the Communist state, but also China, Spain, the United States, Britain, and France, non-Communist states. It may affect Soviet Russia loss than Great Britain. Neither Germany, Italy, nor Japan can attack Soviet Russia. But overy one of these three countries has seriously threatened British interests and colonies. Looking at the geographical position, we can see that German planes can threaten London at any moment. The Italian navy can endanger the British position in Egypt. Japan is in a position to attack Singapore and Hongkong, the same holds true with regard to France.

Nominally the Pact is anti-Communist, but in reality it is against America, Britain and France, according to the Czechoslovakian pross. These three countries may declare that some particular colony of France or Britain is endangered by Communist influence, and take definite action to interfere with the internal affairs of these areas.

The British newspaper, the Daily Telegraph, rightly declared that the menace to world peace is not Communism, but the anti-Communist allies. The 2,000,000 tons of Japanese, German, and Italian warships will seriously threaten British, American and French interests, rather than Soviet interests. Without British influence in the Pacific, Japan will become the dominating factor in the Far East. Without British influence in Europe, the French navy will be threatened by Germany and Italy, and the latter two countries will dominate all Europe. It is therefore correct to say that this Pact is most dangerous to British interests. In America, its serious effects will be felt in Mexico and South America, which in turn affect the position of the United States.

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The effect of this Pact upon China is most important. It threatens the very existence of this country. All Powers who believe in treaty obligations, and who have any sense of international justice, are in sympathy with China in the face of Japanese military aggression. All these Powers have condemned Japan as the aggressor and the violator of international agreements. Japan's international position has been greatly lowered, and she has been isolated from the family of nations. Italy's adherence to the anti-Communist Pact at the time the Nine-Power Conference was being held in Brussels greatly improved Japan's diplomatic position. It served as a serious blow to the Brussels Conference, and as a demonstration of the common aggressive front.

It is unfriendly for Germany and Italy to take such concerted action with Japan, our enemy, when we are carrying on armed resistance against Japan Though Germany and Italy have repeatedly declared that this Pact does not concern China, Japan has started her invasion of Chinose territory on the basis of the second article of the Pact. Duce, Mussolini, in the early part of October openly supported Japan, while the German press has openly declared that Japanese military operations in China are anti-Communist in nature.

Fascist countries of the world have joined together into an ideological bloc. It is a threat to world peace and to the security of democratic countries. It will mean the beginning of a general drive by these countries andoppressed nations to join hands, and consoldiate a united front to resist the agg-ressors. Our bloc is a bloc of peace. It must not be mistaken as an ideological bloc. All peace-loving countries may join our united front, no matter what "ism" they may believe. China, now seriously threatened by this anti-Gommunist Pact, should join hands with all peace-loving countries to fight the aggressor. -- "World Culture", Vol. 7, No. 1.

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# CHINESE AGRICULTURE IN WAR-TIME

# 1. HAS CHINA SUFFICIENT FOODSTUFFS TO FEED HER MILLIONS?

According to a special investigation made by the Legislative Yuan, China produces a total amount of foodstuffs of 1,761,100,000 piculs a year. The five cereals, including rice, wheat, kaoliang, millet and corn constitute 70 per cent of the total foodstuffs of the country every year, being 1,898,500,000 piculs, of which 223,500,000 piculs are produced in the four North-Eastern Provinces. Of the remaining 1,676,300,000 piculs of the five cereals we must add 74,800,000 piculs of other foodstuffs including sweet potatoes and beans. In addition we may have to add an average import of 39,500,000 piculs of foodstuffs from foreign countries. Therefore, the total amount of foodstuffs needed in the country is 1,790,600,000 piculs.

According to Mr. C.C. Chang of the Bank of China, a male adult in the village consumes five piculs of foodstuffs and a female three and half piculs a year. Male adults in the cities need 3.8 piculs of foodstuffs while females need 3.4 piculs a year. In other words the average consumption of foodstuffs in a year for each person is about 4.1 piculs. If the Chinese population in 21 provinces is 430,000,000, the total amount of foodstuffs required will be 1,763,000,000 piculs, which is equivalent to the production of foodstuffs in the country. To be exact China has a shortage of only 11,900,000 piculs. Under these conditions it is safe to say that production of foodstuffs in the country is sufficient to feed China's millions.

It is true that large quantities of foodstuffs have been imported from foreign countries every year. This is due to the problem of communication in the interior. According to present figures, the amount of foodstuffs imported can meet the needs of 9,690,000 persons, which is only 2.5 per cent of the total population of the country. It is apparent that the problem of food supply in China is not a general problem but a local problem of some cities or some provinces. It is a problem of communication and distribution but not a problem of shortage of production.

During the time of war, large areas of land will be left uncultivated because of military operations. It is therefore, absolutely necessary to develop the uncultivated land in the interior. According to official statistics 14 per cent of the total of the cultivable Chinese area has not been developed. (The total cultivable area in China is 27 per cent of the total area of the country and only 13 per cent of the cultivable area is under cultivation.) Scientific measures should be introduced to increase the production of these cultivable land such as the use of chemical fortilizers and chemicals to kill insects. According to the National Cpium-Suppression Association, land used for the cultivation of poppy (opium) if used for the cultivation of five coreals, can meet the needs of 6,500,000 persons. Definite measures must be taken to prohibit the cultivation of the poppy so that this large area can be used for the cultivation of foodstuffs.

In addition, the following actions must be taken to control the supply and distribution of foodstuffs during the war-time:

(1) Every Chinese must be ordered to eat only as much as he needs and special measures must be taken to prohibit anyone wasting any foodstuffs;

- (2) No one is allowed to stored up foodstuffs privately:
- (3) No one is allowed to make wine from rice and other foodstuffs:
- (4) No one is allowed to feed animals (except those needed for productive purposes) during the war-time so as to save as much foodstuffs as possible for the people.

A general registration of foodstuffs in rice shops, private houses, granaries, and other public organizations must be made so as to plan for the distribution of foodstuffs in various provinces.

The problem of food supply is one of the important factors in deciding the final outcome of the armed struggle. The necessity of extending immediate control to the supply, distribution as well as production of foodstuffs cannot be overlooked by the authorities. --- "Kuo Wen Weekly," Vol. 14, No. 40.

### 2. GOVERNMENT PURCHASE OF COTTON AND COCOONS

By Wei Yu-fei

As in 1936, China has had very good harvests this year. The production of rice in Honan, Hupeh, Kiangsi, Anhwei and Kiangsu provinces amountes to 80,000,000 piculs. According to the Cotton Control Committee of the Ministry of Industry, cotton production this year is as much as 19,660,000 piculs, an increase of 16 por cent when compared with the previous year. Under ordinary conditions China would have a most prosperous year.

With the outbreak of Sino-Japanese hostilities in July in North China and August in Shanghai, the autumn harvest has been greatly affected. The banks, in ordinary days, invest millions of dollars for the purchase of agricultural products at this time of harvest. With the enforcement of special restrictions ordered by the Ministry of Finance, immediately after the outbreak of Sino-Japanese hostilities in Shanghai, practically no money has been loaned to the farmers and the merchants for the purchase of agricultural products. It is for this reason that the price of cotton has decreased to \$5 per picul from \$20 per picul in Pootung. As no purchasers can be found by the farmers, large quantities of cotton are left unpicked in the fields.

Coupledwith the special restrictions on the banks, the sudden decrease of the purchasing power of the people has made it impossible to sell out these agricultural products. Although these are but natural phenomena during war-time, it is unwise for the Government to take a laisser faire policy. During the protracted armed-resistance against Japan, we must increase our production so as to strengthen our force of resistance.

Definite actions have been taken by the authorities to meet the situation. The Kiangsu Provincial Government has organized a special committee for the purchase and control of silk coccons at a fixed price of \$32 per picul. The provincial authorities have also purchased cotton from farmers in Shanghai, Kating, Paoshan, Tachang, and Nantung districts. In Pootung, the Pootung Quild is purchasing cotton with the money advanced by the Bank of Ghina.

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In Chekiang, the Bank of China, the Contral Bank of China, the Bank of Communications and the Farmers Bank have jointly advanced \$8,500,000 to the Chekiang Silk Control Committee for the purchase of cocons this year at a fixed price of \$40 per picul. According to the arrangement, the farmers will receive 70 per cent or rather \$28 in each for each picul. If those cocoons are sold to the silk filatures and later sold to foreign countries at a profit, the farmers will receive the remaining 30 per cent or \$12 for their cocoons.

It must be mentioned that the prices fixed for the purchase of cotton and cocoons are too low when compared with the market price of manufactured goods of cotton and cocoons. The price of yarn is \$300 per bag while the price of cotton is \$40. This shows that there are demands for yarn, but there is no demand for cotton by the cotton mills. In other words yarn has a market at the present time but not cotton. Under this situation if cotton and coccons and other kinds of raw materials are not controlled by the Government and purchased by the Government, there will be a serious shortage of these raw materials in the near future which will in turn greatly disturb the general industrial and business condition of the country. The prices fixed for the purchase of those agricultural products must not be too low.

It is to be hoped that the Government will take definite action to extend their centrol to agricultural products, so that the national wealth will be strongthened for the armed-resistance against Japan. --- "Kuo Wen Weekly," Vol. 14, No. 40

3. SHOULD CHINA ADOPT THE SYSTEM OF CONTROL?

By Dr. Ma Yin-chu Chairman of the Economic Committee of the Legislative Yuan

In ordinary times, free trade is considered as the best economic policy. In time of war, however, measures must be adopted by the Government to control the economic conditions in general. During time of war, no one should be allowed to invest his money in those industries which are not directly concerned to the military operations. By se doing, the Government will be able to direct the surplus capital in the country to the purchase of Government bonds for the swelling of the war chest. The Government, it must always be remore bered, has the preference to utilize surplus capital in time of war.

Not only productive enterprises but even daily necessities and ordinary business must be controlled by the Government. Rice is sold at a price of \$10 per picul in the pages time. But it will increase to \$30 or \$40 per picul during the time of war. Rich people will store up rice under this circumstances and further aggravate the problem of livelihood of the people in general. Thus the Government should extend her control to rice. No one should be allowed to store rice which they do not need and no one should be allowed to increase the price of rice at his will.

All economists agree that control is absolutely necessary in time of war. But is the system of control of the European and American countries suitable for China? The answer is in the negative, as

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conditions in China are different from that of the Western Powers. My reasons are enumerated in the following:

(1) In foreign countries, commodities are produced in large quantities and production is more or less concentrated in a few localities. Under this situation it is easy to affect the control on production. But it is different in China, an agricultural country. In the United States of America, billions of dollars are invested in factories. From 49 to 50 per cent of these billions is concentrated in some 200 companies. These companies may affect the economic condition of the entire country. In time of peace, these factories manufacture goods for daily use. In time of war, the match factories may be changed into factories for the manufacture of boxes to pack munitions. Machine shops specializing in the manufacture of tractors can become factories for the manufacture of tanks. Rubber goods factories may be used for the manufacture of gas-masks. As all products for military purposes are produced by these factories, the manufacturers have no difficult in selling their goods. Meanwhile, the Government will not face any hardship in finding enough factories to produce these war supplies. As a result the factory owners are only too glad to have the introduction of the central system, so that they can concentrate their efforts in manufacturing of war supplies.

The situation in China is different. The light industry and the heavy industry are not developed. The few factories are scattered over the entire country with small quantities of production. Under this situation, the system of control will not give such noticeable results as in America and Europe.

In the highly industrialized countries, production is in the hands of a few factories. It is easy to control them. In China, there are some 300,000,000 units so far as agricultural production alone is concerned. It is more difficult to deal with 300,000,000 people than to deal with a relatively few persons.

In the highly industrialized countries, although no control is enforced, the Government can easily request the factory empers to operate their plants in accordance with the instructions and interests of the Government. The Government can indirectly control the factories in the same way as the railways, highways and other forms of communications are controlled by the Government in time of war so that raw materials to be used for the manufacture of goods not needed in the time of war cannot be shipped to the plants. In China, the situation is different, as the farmers do not depend on railway and highways as much as on small junks and donkeys.

Furthermore the important point of control is to increase the productiveity of these factories. In China, however, control or no control, we cannot increase the productivity to any appreciable extent, as no machinery is used in the farms. Since agricultural products, unlike industrial products, are needed by the people both in time of war and in time of peace, there is no reason for any control of agriculture in time of war.

Different from industry, agricultural production cannot be changed or improved in a short time. Control of agricultural production will have no effect on the general economic condition of the country.

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These above points serve to show that it is neither easy nor necessary to control agricultural products. The problem of food supply, however, remains a serious one in war-time.

To solve this problem, the Government should first order the development of all cultivable land in the country. Those who fail to develop their uncultivated land must be compelled to give up their land for others to cultivate. By so doing, we will increase the productivity of foodstuffs.

Secondly, land taxes should be reduced during the time of war, so as to increase the area of cultivated land in the country. For instance, one mow of land may produce agricultural products to the value of \$10. In time of peace, one dollar must be paid to the Government as land tax, and the remaining nine dollars will be equally divided between the landlord and the tenant, a sum of four and half dollars each. In time of war, one mow of land will produce the same amount of agricultural products but its value may be increase to \$20. In this case, the Government must not increase the land tax but should still collect one dollar only. The landlord should receive four and half dollars or six and half dollars the remaining \$14.50 or \$12.50 should be given to the tenant. As a result more people will return to the farms and improve their land, and we shall have a bumper crops.

Simultaneously the Government may fix the price of agricultural products in time of war. A mandate may be issuedprohibiting the sale of rice for more than \$18 per picul and for less than \$12 per picul. This will protect the farmers as well as the consumers. If the cost of transportation is increased, even if the price of rice rises from \$10 to \$18 per picul, the farmers cannot make any profit. The Government should take action to assist the farmers either by reducing the frieght charges or by giving them financial aid.

In addition the Gevernment should promote the virtue of thrift. Definite measures should be introduced by the Government to promote the thrift mevement. By thrift the people can strengthen the material welfare of the country and prolong the armod-resistance against invasion. --- Chung Wai Chin Chi Pa Chai (Economic Digost) Vol. 1, No. 10.

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#### CHINESE PRESS COMMENTS

# 1. IMPORTANT PROBLEMS DUM NG THE PERIOD OF ARMED RESISTANCE

With the withdrawal of Chinese troops from the Shanghai-Woosung area, says the "China Times" in an editorial on Novomber 22, the Sino-Japanese war has entered its second stage. During this mew stage of warfare there are some important problems to be noted by the Chinese Government and people.

Economically, "as a result of the expansion of the hostilities, more and more persons have been rendered homeless, and millions have been thrown out of work. These war refugees are depending on others for their living. As the war further develops this problem of war refugees will be a serious one, more and more affecting the economic strength of the country.

"If these people are deprived of any means of making a living, they may be compelled by circumstances to become traitors, and to serve the Japanese. So far the problem of war refugees has been handled by various charitable institutions, but as the war extends to the interior some definite action must be taken by the authorities to cope with the situation. These refugees should be organized and trained, and asked to participate in useful work in connection with the military operations.

"In addition to this problem of war refugees, definite measures should be taken by the authorities to extend control over the production, transportation, and distribution of foodstuffs to the people. Speculation and profiteering must be wholly done away with. No one must be allowed to store up foodstuffs so as to obtain high prices later. Fixed prices must be established by the authorities, so as to protect the poor".

With regard to military operations, "despite poor equipment, Chinese troops for three months repulsed Japanese attacks in the Shanghai-Woosung area, despite heavy shelling and bombing by Japanese naval and other guns and by airplanes. Much has to be done, however, to stop the further advance of the Japanese. All the Chinese troops are obedient and courageous, but many a battle in North China has been lost because of the commender's inability to direct the military operations. General Li Fu-yin, whose refusal to fight resulted in the loss of hundreds of square miles of territory, is an outstanding example among several. Strict discipline must be enforced, and other commanders like General Li must be executed. Weak-kneed and capable officers must be promoted, so as to maintain the high morale of the Chinese troops."

Diplomatically, "our armed resistance is for the preservation of our very existence, but also to uphold international justice. So far we have received great support and sympathy from Western Powers. This sympathy will in time alter the actual policies of these Powers in relation to the Far East, and make them give definite assistance to China; at the least, they will cease helping the Japanese.

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"To accelerate this process of transforming sympathy into positive action to assist China, Chinese public organizations should send pepresentatives to the capitals of the friendly Powers. These representatives must arouse public interest in China in foreign countries, and create a strong public opinion towards assisting China. This kind of work is at least as important as that of the official delegates who attend the international conference at Brussels at present. It is up to us to transform sympathy into positive action to assist our a made resistance. Declarations condemning Japan as an aggressor must be translated into refusal to unload Japanese goods from ships, to purchase Japanese goods, to ship war materials to Japan, etc."

The three above mentioned points, the paper concludes, are pre-requisites to our final victory. Unless our Government and our people an utilize the war refugees to supplement our military force insteadof to hamper it, can place our troops under better command, and taansform foreign sympathy into positive measures of assistance, we cannot gain the final victory.

#### 2. INTERNATIONAL COMPLICATIONS AND CHINA'S FUTURE

The international situation has become very complicated, writes King Chung-hua, editor of "World Culture," in a special article in the "Shun Pao" of November 20.

Since the cutbreak of Sine-Japanese hostilities at Lukouchiae four menths age a number of international conference have been held; among the important ones may be mentioned the Nyon Conference, the Brussels Conference, and the discussions between Britain and Germany and Britain and Italy. Other important events are the conclusion of a tripartite anti-Communist Pact, the organization of a Fascist Government in Brazil, the negotiations between the United States and Britain for revision of their commercial treaty, and the closing of consulates in Soviet Russia by Japan and some other states. All these conferences, treaties, and negotiations are of direct or indirect effect upon China.

Great attention should be paid by the Chinese Covernment to these international developments, says the writer, as the present Sine-Japanese war will not be decided only on the battle-fields. A great deal depends upon the diplomatic front. We must not and cannot adopt a laissez faire policy. We must take the initiative, and utilize the international situation to our advantage.

The writer declares that there are three common mistakes now current among the Chinese people with regard to the international situation. First, there are many who are bitterly disappointed with China's failure to obtain active assistance from the friendly Powers during the three months we have been fighting Japan. The mistake of such persons is that they expected too much at the beginning. We should not be disappointed, but should endeavor to transform foreign sympathy into positive action to assist China.

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Secondly, some believe that China should ask for assistance from all Powers, without depending upon any particular state or group. In principle, this attitude is correct, as the co-operation of all Powers is needed in order to maintain world peace. In time of war, however, we should seek out the countries which are most concerned with our problems and establish closer relations with them, so as to be able to obtain as much positive assistance as possible.

Thirdly, some persons fail to recognize the serious menace which the aggressors constitute to the world. The aggressor and her allies are very active in Asia, Europe, and even America. Some persons believe that their influence cannot be checked, and imagine that we can profit from the complicated international situation without adhering closely to our attitude of opposing aggression. This belief is wrong, as any attempt in this direction by China will only make her the victim of international intrigue.

It is most important to find out the basic trends of development in the international situation, the writer declares. With an understanding of these basic trends, we can correct the mistakes of some small groups of our people. Meanwhile, we must clearly define our attitude, and adhere to it.

We are on the eve of a second world war. The complicated international situation of today resembles that of the early part of 1914. The various negotiations of these days will gradually divide the Powers into two distinct camps, a ggressors and anti-aggressors. Japan, Italy, and Germany have concluded the tripartite Anti-Communist Pact. The French Premier has declared that peace can be maintained only if Anglo-Soviet relations are improved. British and American states men and diplomats believe that a common stand is necessary in order to check aggression. American, British, and French states men believe that the tripartite anti-Communist Pact is a serious threat to their respective countries; there is urgent need for them to co-operate among themselves to maintain the peace of the world.

In 1914 Italy, Germany, and Austria had their alliance, and in 1937 Italy, Germany, and J. pan have concluded their alliance. In 1914 there was the Anglo-Japanese Alliance, but in 1937 there is Anglo-American co-operation. Preceding 1914 there were the repeated Balkan wars. Preceding 1937 we have had the Manchurian war, the Abyssinian war, the Spanish civil war, and now the Sino-Japanese war. We now find all the conditions pre-requisite for a world war; we find the same situationas in 1914. The only difference is that if general war breaks out, it will be far more serious than that of 1914 both in extent and in intensity.

In this situation, we cannot alter our policy of opposition to aggression. There are persons who believe that Anglo-Soviet co-operation is impossible of achievement, that Britain is trying to reach some kind of understanding with Germany and Italy by sending its special representatives to Germany and Italy at the present moment. These persons fail to note that shortly before the World W r of 1914 broke out, the British King went to Berlin and shock hands with the German Kaiser, but three days after war broke out between Germany and France and Russia British policy was clearly decided in favor of the latter Powers.

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The threat to Britain and France which is contained in the Abyssinian War and the Spanish Civil War, the threat to Britain, America, France, and Soviet Russia in the Pacific involved in the Sino-Japanese War, the threat in Central Europe to France and Soviet Russia because of Germany's attitude, and the threat to the United States as a result of the sudden change of political administration in Brazil, are graver than the conditions in 1914. The anti-aggression front is in process of being formed. We must stick to our policy, and follow the trend of international development. This opens the way to a bright future for us.

3. SHOULD SOVIET RUSSIA QUIETLY "STARE AT THE FIRE ACROSS THE STREAM?"

Following the outbreak of Sino-Japanese hostilities, says the "China Times" in an editorial on November 21, the attention of the entire world has been centered upon Soviet Russia. The relationship between China and the U.S.S.R. is as close as that between lips and teeth, so far as Far Eastern problems are concerned, and the destruction of China will seriously affect the security of Soviet Russia. In these conditions, it is natural that the Soviet Union co-operate with China.

Reports from Paris and Moscow, the paper continues, show clearly that this fact has been recognized by the Soviet authorities. General Bluecher, commander of the Soviet forces in the Far East, was recently reported as declaring: "If Soviet Russia is compelled to give up peace, she will be forced to extend her military operations to areas beyond her frontier .... I sincerely believe that China's strugglo will be rewarded with ultimate victory."

Declaring that China's armed resistance is China's own affair, aiming to preserve her own independence, the paper goes on:
"We have never entertained any illusions of having foreign Powers fight the Japanese militarists for us. We are determined to fight the enemy ourselves, and are prepared for the supreme sacrifice." Japan is at present China's one enemy. All Powers who sympa thize with us and give us material assistance are our friends. It is for this reason that the struggle between China and Japan has become a world problem. On the one hand, we shall resist the invader to the bitter end in order to preserve our independence. On the other hand, we hope that the friendly Powers will check Japanese aggression in order to uphold justice and righteousness, as well as to keep themselves free from the Fascist menace in the future.

Britain, America, France, and Soviet Russia are all equally interested in the situation in the Far East. These Powers should take collective action to check Japanese aggression. We wish in this article, however, to particularly call the attention of the Soviet Government to the situation, for the following reasons:

1) The pretext which Japan has been using for the invasion of China is "suppressing the spread of Communism." For years Japan has tried to force China to form an anti-Communist Pact. China's answer has been the conclusion of a Sino-Soviet Non-Aggression Pact. This action on China's part has closed the

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door to participation in collective action to attack Soviet Russia. This serves as a guarantee to the security of the Soviet Union in the Far East. In this situation, from the moral point of view Soviet Russia should not content itself with condemning Japan as the aggressor. It should take definite and concrete measures to assist China in checking Japanese aggression.

- 2) Soviet Russia has her slogan of "anti-Imperialism, and support the weak and oppressed nations." This is the time that China needs such support most. We hope Soviet Russia will fulfil her promise at this moment.
- 3) Aside from China's interests, it is imperative for Soviet Russia to take definite action at the present time, as the westward advance of the Japanese troops from the Peiping-Shiyuan line will soon become a serious menace to Soviet Russia. With China's northwest occupied by Japan, it will be possible for the Japanese to water their horses at Lake Baikal in Siberia. Can Soviet Russia feel easy at heart at this prospect?

There are two alternatives for Soviet Russia in the Far East, the paper concludes. One is to fight Japan and the other is to surrender to Japan. We do not believe Soviet Russia wishes to surrender to Japan. But we do feel anxious about the results of her present hesitation.

## 4. THE END OF THE BRUSSELS CONFERENCE

The Brussels Conference, after three weeks' deliberation by representatives of various Powers, adjourned last night, notes the "Ta Kung Pao" in an editorial on November 25. The so-called "common attitude" was not touched upon by the second declaration of the Conference, and the latter will remain forever simply empty talk.

We are disappointed at this outcome of the Brussels Conference, but we have no word of blame for either the United States or Great Britain. Every country knows that the sanctity of international agreements should be uphold, and world peace should be preserved. The time has come, however, when no peace can be maintained and the sanctity of international agreements cannot be uphold by mere international conferences. That the Powers have not decided to meet the present situation by armed force explains their silence, in the second Brussels declaration, regarding the so-called "common attitude" of the Powers. We can understand their difficulties, and do not blame them for taking no definite action at the Conference. The Nine-Power Treaty was torn up by Japan six years ago. The Brussels Conference has only confirmed this fact.

In a previous editorial we declared that there were two serious conflicts in the Far East. One is the conflict between China and Japan, the former wishing to maintain her independence. The other is the conflict between Japan and Western Powers, as the former wants to dominate all China while the latter wishes to maintain the Open Door in the Far East. China and Japan are fighting now because the aggration of their conflict has reached the point where China can undure no more.

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What will the Western Powers do in connection with Japan's continental policy? Will the Western Powers withdraw from the Far East? Or will Japan give up her Asiatic Menroe Doctring? Although the Brussels Conference has failed, we do not believe that the Powers are as yet ready to withdraw from the Far East.

It is wrong to say that the Brussels Conference without results. We can see at least two points. First, the Conference has clearly shown that a promise cannot be enforced without force. The sanctity of international agreements is adhered to by the Powers in keeping with their promise, but the promise cannot be maintained if there is no force to back it. If the Powers are prepared to use force, no one will be able to violate the agreement. China thought that international agreements can give protection. We placed too much confidence in the promises of the Powers. The Western Powers also made the error of putting too much confidence in Japan's promises. The Brussels Conference has made it clear that only by force can we maintain our Government and only by force can we preserve world peace.

Secondly -- the secondpoint, -- it is clear that open diplomacy is a thing of the past. Following the World War, diplomatic megotiations between states were for a time carried on openly. Secret agreements and international intrigues where finished forever. The Powers, however, are again reverting to these older practices. We should not place any hope either in Brussels or in Geneva. We shall continue to negotiate openly with various Powers, and hope the United States and Great Britain will take definite steps to maintain world peace.

From the above two points it is clear that we must seek regencration through our own efforts. Though the Powers will not abandon their interests in the Far East, though the Powers will in time take action to maintain world peace, during this presentperiod when no action is being taken by them we must struggle all the harder, -- struggling on in a fight for our own existence.

## 5. FAREWELL TO OUR SHANGHAI READERS

"This paper started publication on September 30, 1935, "says the "Lih Pao" in a farewell to its readers here in November 24. "In the past two years and 66 days we have always been standing in the forefront of our national struggle. Our ability is small, but not for a single moment have we shirked our responsibility. Since the withdrawal of Chinese troops from the vicinity of Shanghai we have endeavored to continue our work and serve our 200,000 readers, but from tomorrow we shall have to bid our readers farewell.

"Though we shall suspend publication in Shanghai, however, we shall never forgetour duty. We believe that our 200,000 readers, who for some time will not be able to read our paper every day, will not forget their duties as citizens of China, At this time of bidding farewell to our readers we should like to say the following:

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\*1) Confidence in our armed struggle.

"Our armed resistance against the aggressor is a sacred task. It is a resolutionary war. Our enemy has clearly revealed its ambition to occupy all China and to enslave the entire Chinese people. We do not want to abandon the land bequeathed to us by our ancesters. We shall wash out our humiliation by our blood.

"In the past four months of armed resistance we have lost great areas. We have sacrificed hundreds of thousands of soldiers in the battlefields, and people in their homes, to the indiscriminate bombing of the Japanese planes. Hundreds of millions of dollars' worth of wealth and property were destroyed. Comparing the present war with the Manchurian incident, however, we can see the great losses of the enemy. These losses mean our success. Though we have suffered temporary military reverses at present, we must know that with the extension of the fighting line the Japanese military strength will be dispersed, and our military forces will be in position to deal a final blow to Japanese militarism.

"During the four months of war we have discovered a number of our weak points. We missed a number of chances to defeat the Japanese troops. We have faced serious obstacles which should not have existed. In this protracted war we can remedy this situation. We can remove the unnecessary obstacles. We will not loss further opportunities to defeat the Japanese troops. As the war goes on we shall be better trained to resist the enemy.

"Our preparations during the past few years have been centered on the military side. We have not paid sufficient attention to the political side. Regarding the military aspect, we should not feel any pessimism. Turkey, whose troops retreated to the desert, with handfuls of mobile units achieved ultimate victory and organized the present strong government. Soviet Russia, during the days of the October Revolution, stood out against the joint attacks of fourteen states. The 500,000 loyal Spaniards armed by the Spanish Government largely with arms from seums have defended Madrid for more than a year. Final victory in battle will be ours.

"We must learn from Turkey, Soviet Russia, and Spain the fundamental causes of their strength. The fundamental thing is the arming of the people. We must arm five million Chinese within a year, so that everywhere the Japanese go they will meet Chinese resistance.

"The international situation is improving, and is favorible to China. British diplomatic efforts to reach an understanding in Europe has as itsultimate objective freedom to deal with the Far Eastern problem. Though the isolationists in America are active, we trust and believe that President Roosevelt has a firm and strong attitude to be taken towards the Far Eastern situation. So long as positive action is being taken by Britain and the United States, Soviet Russia will do its part for the preservation of world peace. We must have confidence in ourselves!

"2) The duty of Chinese who remain in Shanghai.

"Great Shanghai is lost. But millions of Chinese, who do not want to be slaves in Shanghai, are not yet lost. We believe

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that these millions of Chinese will not forget their duty towards the emancipation of their fatherland. These millions have contributed money and offered their services to their country. They will continue to give their money and their service.

"Chinese living in the areas from which Chinese troops have evacuated have more' important services to perform for their country than those living in the interior. Their work is most difficult. They must now work quietly, but persistently.

We do not depend solely on our troops' defeating the Japanese on the battlefields. We must create a situation which will increase Japan's difficulties in carrying out its military operations. In this way we can assist the Japanese to exhaust themselves. This is the work of the mobile units. This is the kind of work which Chinese living in the Japanese-occupied areas can perform.

"In these areas occupied by Japanese troops traitors must be very active. Our enemies cannot rule the Chinese direct, but will control them through Chinese traitors. Every patriotic Chinese must watch out for this. If this is done, no puppet regime can be organized at Shanghaf.

"Fight on, foollow-countrymon in Shanghai! Every minute keep in mind our neation, our country! Every minute give your service to your fatherland!"

CHINESE OPINIONS ON CURRENT EVENTS



(TRANSLATED FROM CHINESE PERIODICALS)

Proprietor and Editor: Fang Fu-an

Lepartment

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FINAL VICTORY IS OURS

By Gen. Li Tsung-jen Commander of the 5th Route Army

In the four months since the outbreak of Sino-Japanese hostilities in Lukowchiao, armed resistance against the Japanese has developed from local incidents into a nation-wide war. This historical event will not only change completely the course of future development of the Chinese nation, it will decide the future of world peace and world civilization. It is for this reason that we must have a clear conception of the present situation, as well as of the ultimate outcome of the present war.

First and foremost we must understand that the present armed resistance against the Japanese is a natural outcome of the trend of international developments and the rising tide of national emancipation. The history of the past hundred years national emancipation. is a story of the struggle of weak and oppressed nations sekking independence and emancipation. History tells us that if a weak andoppressed nation possesses such material wealth as is necessary in war, and is awake to the importance of emancipation and determined to struggle on, final victory is assured, no matter in what difficult circumstance the country may find itself. The revival of Germany and It The revival of Germany and Italy in the nineteenth century, and the regeneration of Turkey and Poland in the early part of the twentieth century, serve to illustrate the point. In the matter of population, of territory, and of culture China was and is one of the greatest nations of the world. With the awakening of herpeople In the matter of population, of est nations of the world. With the awakening of herpeople in recent decades, China as a nation can never be conquered Invasion of our territory will only increase our by Japan. united resistance, and final victory must be ours.

Secondly, the present armed resistance is a natural outcome of the Chinese revolutionary movement. Dr. Sun Yat-sen, father of the Chinese Republic, told us clearly that there are two objectives of our national revolution. Internally, we want to eradicate all feudalistic influences so as to establish a turly democratic form of Government. Externally, we must fight against the Imperialists so as to fully complete our emancipation.

From the Revolution of 1911 to the completion of the northern expedition of the Nationalist troops in 1927, feudal influences in the country were wiped out. National emancipation, however, has not yet been accomplished. Dr. Sun Yat-sen said that no revolution can stop until the final goal is reached. It is because of this truth that all political developments in China, especially after the Mukden incident of September 18, 1931, have been directed towards the unification of the country. The Japanese invasion has accelerated this movement. China is now united in a common struggle against Japane. This struggle is a natural process of China's

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national revolution. The ultimate victory must be ours, as we will continue to fight on to accomplish the work of emancipation.

Thirdly, it must be pointed out that China has fulfilled a number of the material conditions for the final victory, and that the Chinese people have awakened and united. These two conditions are the most important ones, which we have already attained. Furthermore, China is prepared to offer stiff military resistance against Japan. The stiff resistance put up by the Chinese troops in Shanghai and North China has already shown that the Japanese have to pay a heavy price for every foot of Chinese territory they occupy. The third condition is international support. The sympathies of America, Britain, France and Soviet Russia toward China's struggle show that the international situation favors China.

In Japan the internal contradications, including the differences of opinion between militarists and politicians, the internal strife between militarists and financiers, the aggravation of economic conditions, will eventually put Japan in a position where she will be unable to wage war with China. Internal disturbances will in the long run defeat Japanese militarism.

From the standpoint of national emancipation, from the standpoint of national revolution, from the present military situation between China and Japan, and from the present international developments, we can say that China will emerge victorious in the end. It is for this reason that we advocate a war, a protracted war, against Japan. Every city which we may have to abandon up in the face of the Japanese invasion must be turned into ashes.

Although the situation is all in favor of our struggle, we have to fight on to attain our goal. Although we are confident of our final victory, we must be prepared for supreme sacrifices, and firmly determined to resist to the bitter end. In the present war, we must defeat Japan completely. Every citizen must support the Government, and participate in the struggle under the leadership of General Chiang Kaishek. Ultimate victory will be ours. --- Chan Tao Monthly, Vol. 2, No. 1.

# THE MILITARY TACTICS OF OUR WAR OF NATIONAL EMANCIPATION

By Li Hua-chin

All military operations have political aims. Every war must be considered as a political activity. Military operations, in their highest technical sense, are political activities. These are different from ordinary political activities however, as they are carried out by force of arms rather than diplomatic correspondence.

On this principle, it is apparent that the political aim of the war should be the deciding factor in the kind of military tactic we should adopt. In other words, one must consider the political goal, the military strength, the material strength, and the international position of a country before deciding her military tactics.

In the present Sino-Japanese war the Japanese political aim is to dominate China and to enslave the Chinese people. Japan tries to change China from her present semi-independent state into a one hundred per cent colony of the Island Empire. At the present time, Japan wants first to extend her control to the entire five provinces of North China, and to force China to surrender to Japan poltically. In other words Japan wants to control the five North China provinces completely. As to the rest of China, she wants rapprochement and co-operation with her model. China's poltical goal on the other hand, is to drive out Japanese influences in China, to recover lost territories, and to establish a new China through national emancipation.

In a military sense, Japan is undoubtedly far stronger than China in a number of respects. Between the Japanese Government and the Japanese people, however, there is a great gap. Without a thorough reorganization of the Japanese social structure, this gap cannot be closed. In an attempt to deceive the Japanese people and stop them from revolting against the Government, Japanese rulers are copying the tactics of Fascist states, and hope that the war can be quickly brought to a close. Japanese military experts expected to occupy all Chinese cities and stratiegic points as soon as the war broke out. Prince Konoye, Premier of Japan, hopes that the war can be concluded by the end of this year, or at latest by next spring. By ultilizing their modern fighting weapons Japan hopes to complete their military campaign in a short time. Japan fears that the war will drag on and that Chinese mobile units will carry on the war everywhere, especially in the rear of the Japanese positions.

Knowing Japanese political aims, and the weak points of the Japanese, our military tactic is one of political mobilization to carry on a protracted war to exhaust Japan's strength,

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Only through this tactic can we hit the weak but vital link of the Japanese chain of conquest. Only through this tactic can we prolong military operations and deal a death-blow to Japanese dreams of conquest.

Modern warfare is far more deadly than that of the past. Aerial bombing, chemical warfare, and long-range artillery are destructive in the extreme. It must be added, however that the ability to defend territory has also been greatly increased. A modern war is not decided simply by the military strength of the country. It depends rather on the determination of the people to fight, on the material resources of the nation, and on the strong political organization of the people. In other words, modern warfare is a struggle between the economic resources and political systems of two countries.

With an understanding of this situation, it must be noted that the deciding factor of a modern war is not what the aggressive nation has thought of. At the present time of China's sacred revolutionary struggle, we have not yet mobilized the entire country from the economic and political points of view. With the complete mobilization of the country, no thinking man can believe that China is weaker than Japan.

Not only theoretically but practically is this military tactic of a prolonged war to exhaust Japanese strength a sound one. This protracted defensive war cannot be a passive one. We must take positive action in our military operations. Militarily speaking, we must adopt defensive tactics in the early stages of the war, but in the latter stage - when the Japanese strength is more or less exhausted - we must take the offensive, so as to crush the Japanese military strength completely.

Therefore China's protracted defensive war is divided into two stages. The first one is guerrilla warfare. This does not mean that we should give up important cities, and industrial and financial centers. It means only that we should concentrate in mobile units, and so far as important cities are concerned we should hold them as long as possible.

Because of the vast territory of the Chinese Republic, and the lack of good communication facilities in many areas, China should concentrate her forces in a number of strategic points to defend a number of the most important cities. Meanwhile, small groups of troops should be sent to various districts to attack Japanese positions. Japan can send only a limited number of troops to China. To distribute these troops in the vast territory of China will not mean much, so far as its strength in any particular locality is concerned. If we attack the Japanese troops at each point simultaneously, or surround them, the enemy will face serious difficulties in holding its ground in Chinese territory. Avoiding the strong fronts and attacking the weak points, China will be able to deal serious blows to the Japanese army.

With a better knowledge of the geographical conditions and with the support of the people no matter where they go, Chinese troops should be able to conduct a very successful guerrilla warfare throughout the entire country. These mobile units can seize Japanese ammunition, cut Japanese communications, and — 4 —

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attack small Japanese units in the rear. With these mobile units to prepare the ground, it will be comparatively easy for the regular army to launch a frontal attack against the Japanese troops.

By adopting such military tactics Japan's heavy artilley will not be able to do its best, and the Chinese forces will be able to seize Japanese military supplies to fight Japan, even though the China coast is blockaded by the Japanese fleet. In the long run, independence movements in Korea and Formosa will seriously hamper Japanese military operations in China.

It must benoted that it is rather difficult to destroy a large country. Napoleon, with a great army of 500,000 men, failed to occupy Russia, although he succeeded in taking Moscow. Unless China is divided internally, there is little chance to defeat her militarily. With Japan's military strength, she may occupy a number of Chinese cities on the coast. She has, however, no way to maintain her power in these cities. The problem which concerns us most at the present time is how to mobilize the 450,000,000 people of this country to protect their fatherland.

If Japan fails to conquer China within a short period, her victory will be brief. Her militarists will be attacked both in China and in Japan. Her people will be disappointed with the long-drawn-out warfare. By that time we should adopt the military tactics of frontal attacks. In this second stage we should utilize trench warfare, and utilize large numbers of troops to surround the Japanese force's. By so doing we shall succeed in wiping out the Japanese soldiers.

If we want victory, we must march along the path of victory. The past few months have made it clear to us that our political organization remains corrupt to a great extent. Our troops are not well organized, and they are not controlled by one unified command. Our troops have so far fought a passive war, and have not taken any positive action. Our people have not yet been mobilized. To attain ultimate victory we must change this situation. We must take positive military tactics. We must mobilize the entire people.

We need political mobilization of the whole people. Only through political national mobilization can we train, organize and arm every Chinese citizen. Only through participation in the war by every Chinese citizen can we win the war. Let every Chinese who does not want to be slave, stand up and join with the entire nation to fight the aggressor. --- "World Culture", Vol. 7, No. 1.

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By Milton D. Sustafan NARS, Date /2-/8-15

# AN ANALYSIS OF THREE MONTHS OF WAR ON THE EASTERN FRONT

## By Yang Chao

One night, following the outbreak of the Sino-Japanese hostilities at Shanghai, I told a friend that no matter what might be the result, Chinese troops should hold the eastern front in the vicinity of Shanghai for three months. My reasons were:

- (1) Politically, we needed three months to strengthen our political structure to meet the war situation in the country. On the one hand, our political organization must be adjusted to military operations, and on the other hand, we must organize the people and arm them to participate in the military operations, so as to bring about a real and thorough national revolutionary front. Externally, we need at least three months to improve our foreign relations and organize the international peace front, and to co-operate with other weak and oppressed nations in our struggle.
- (2) Economically, the bumper crops of the rich Kiangsu and Chekiang provinces could only be harvested three months later. These large quantities of agricultural products must not be wasted. Furthermore, we needed time to move our factories as well as our financial institutions from Shanghai to the interior, so that they can continue to function and to assist in protracted warfare.
- (3) From a purely military viewpoint, we needed three months to mobilize the troops of the entire country and strengthen the national defense lines, as well as to make arrangements to obtain munitions from foreign countries.

We believe that the Shanghai hostilities were not the deciding factor of the Sino-Japanese war. These hostilities were important as they affected the financial, economic and military preparations of the country. For these reasons, I told my friend that the hostilities in Shanghai must be carried out for at least three months. This minimum requirement was fulfilled. Our gallant fighters defended the city for three months, and delivered a heavy blow to the Japanese invaders. They have made a good impression not only on the Chinese people, but on the peoples of the world. With the withdrawal of the Chinese troops from the Shanghai area, real fighting started between China and Japan along the national defense lines.

The Japanese wanted to localize the warfare. As their sole intention for the present was to occupy North thina, they wanted to localize the war in the North China provinces. Knowing that the Chinese people were determined to resist and to start a nation-wide struggle against the invaders, however, the Japanese military were compelled to fight on the eastern front also. Though Japan did not want to occupy East China, she must control the financial center of China, blockade the China coast, and attack Nanking, China's political center. These factors are mainly economic in nature, but they are military also, for Japan depends upon her success on the eastern front to enable her forces to occupy North China. Otherwise there is no reason

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to attack Shanghai, as the three months of operations around Shanghai have told us that this action on the part of the Japanese troops has aroused increased determination of the Chinese people to resist Japan and have isolated Shanghai from the rest of the world. The Chinese city of Shanghai which Japan now occupies, has been turned to ashes, and is of no value to Japan for the time being.

As Shanghai is surrounded by water on practically three sides, and China has no navy to speak of, Japanese troops were allowed to land everywhere. Because of the unequal treaties, and the Shanghai-Woosung Truce agreement of 1932, no defense works were built off the Whangpoo, or on the banks of the Yangtze and Whangpoo. Furthermore, the Shanghai fighting prevented the Chinese from concentrating her forces to protect North China.

Because of the poor defense works in Shanghai, from three to five divisions of Chinese troops were needed to fight one division of Japanese troops. As a result, when there were seven to ten divisions of Japanese troops in Shanghai, we had to have from 20 to 50 divisions of Chinese troops. It is because of this that large numbers of troops had to be stationed along the long coast. As a result, the Shanghai war demanded large numbers of Chinese troops to be concentrated in the eastern front, instead of being sent to the North to defend the North China provinces.

If we were prepared to fight the Japanese on the eastern front, if our defense I ine were not so long and were further away from the range of the Japanese naval guns, our losses would not have been so heavy.

Though in a military sonse we suffered heavily on the eastern front, the political and economic signicance of the Shanghai war cannot be overlooked. Because of the resistance at Shanghai, large numbers of Chinese factories and technicians succeeded in removing to the interior. The defense of Shanghai created a new political spirit among the Chinese people. The gallant resistance of the Chinese troops in Shanghai improved Chine's position in the world, and gave a good impression of the Chinese people. These things will help China to a great extent in carrying on the protracted war. If China could have defended Shanghai for a year, the result would have been much more far-reaching!

Before the outbreak of the Sino-Japanese hostilities at Shanghai on August 13, Japan had long prepared for the war. After the undeclared war of Shanghai in 1932 for five years the Japanese labored in Shanghai to strengthen their positions. In addition to the strong barracks which they built at the end of the North Szechwan Road, in the Hongkew district, over 100 lesser fortresses were built in the Japanese-controlled areas, including Hongkew and Yangtzepoo. From Liuho on the Yangtze River to Chapoo on the Chekiang coast, detailed investigations were conducted by the Japanese naval authorities with regard to geographical and topographical conditions. Large numbers of Chinese traitors were posted in all the areas along the sea by the Japanese.

As soon as the hostilities broke out on August 13, the Japanese troops withdrew to the Settlement limits, but held their barracks and fortresses. With the arrival of their army from Japan in

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a few days time, they launched their well-planned attack upon the Chinese positions. Knowing that Chinese soldiers are good fighters, Japan avoided any direct conflict with the Chinese troops in Chapei and Kiangwan. Instead they concentrated their forces on attack upon Woosung and Went-saopang.

In the early stage of the hostilities around Shanghai, Japanese troops carried out extensive warfare along the entire fighting line, in an attempt to find out the weak link in the Chinese defense line. Knowing that strong defense works were built along the Yangtze bank, Japanese troops concentrated their forces at Woosung and Wentsaopang. In September, Japanese troops succeeded in landing in large numbers at Woosung and Paoshan; they captured Yuehpu and the livio Center on September 13, and later extended from Liuho to Kuchiacheh, and further towards Kiangwan and Chapei.

On this first line of defense, the Chinese troops expected to hold out much longer. With the defeat of the Chinese troops commanded by General Lo Lin by the Japanese invaders at Kuchiacheh, however, the entire Chinese line was affected, and the Chinese troops were compelled to withdraw westward from Liuhang for some 4,000 meters and to hold on at Kwangfu. This defeat exps ed our weak link, and offered an opportunity for the Japanese to push forward toward the Shanghai-Taichang Highway, eventually resulting in the loss of Taichang. (Tazang)

On this 4,000 meter front near Taichang, one of the most bloody battles was fought over 20 days. Because of the defeat of the troops commanded by General Chu Yueh-hua on October 25, however, the Taichang-Nanziang Hishway was cut by the Gapanese troops, and Taichang was captured by them. Following the loss of Taichang, Chinese troops effected a strategic withdrawal from Kiangwan and Chapei on October 26, and brought to a close the second stage of the Sino-Japanese war in the Shanghai area.

In the third stage, the Chinese defense lines ran from Jessfield, on Soochow creek, to Yaochiacheh, Kiangchiachen, and Hsiaonanziang. It was predicted by military experts that this defense line could not be held for long, as the defense works south of the Soochow creek were not completed by the time of the removal. For twelve days Chinese troops defended the narrow creek of 50 meters, and on November 4, when news of the landing of Japanese troops at Kinshanwei on the coast was brought to Shanghai, as well as the rapid advance of the Japanese troops from the coast to River Market Ferry and Sungkiang in two days, Chinese troops in western Shanghai were compelled to give up the city altogether.

That Japanese troops succeeded in landing at Kinshanwei illustrates the point that hinese troops are at a disadvantage in fighting in the Shanghai area. Though the actual fighting line was some 30 kilometers in length, Chinese troops had to be stationed from Changsu to Chapoo, a distance of 250 kilometers, to stop any possible landing of Japanese troups. Because of their poor military equipment Chinese troops found it impossible to fight in this vast plain, unless strong defense works could be built. Without sufficient anti-aircraft guns, and without enough airplanes to stop the Japanese aircraft from monopolizing the air, Chinese troops were compelled to travel at night only. This not only delayed the movement

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of Chinese troops, it seriously damaged the Chinese military positions. Furthermore, it must be mentioned that the military reverse in Shanghai, especially that at Kinshanwei, was due to political reasons. The second day after Chinese troops stationed at Kinshanwei were transferred to another place, Japanese troops landed in the area. This shows that traitors were active in the district. Had we organized and armed the people, even though Chinese troops were transferred from Kinshanwei the people in the area could have resisted the Japanese troops landing and would have held up the Japanese troops so as to give time for the arrival of regular Chinese troops.

The fighting around Shanghai has told us that Japanese strong points rest in their better mechanized units and their preparations of the last five years in this region. This fighting also revealed the courage and bravery of the Chimese soldiers, and meanwhile exposed our weak points, including the lack of political organization of the people.

Although in a military way the Chinese have been defeated in Shanghai, we cannot say that China has failed to accomplish her objectives by the Shanghai resistance. Economically, our industrial and financial institutions have been moved to the interior from Shanghai. Politically, we obtained overwhelming sympathy from Western Powers. We found out our weak points in the Shanghai war. We have to establish closer relationships with these foreign Powers who are most concerned with the Sino-Japanese war. We should mobilize the entire people to participate in the struggle. Let every one fight on, and complete the mission which tens of thousands of our troops have died for. ---- "World Culture", Vol. 7, No. 1.

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# WILL CHINA'S ARMED RESISTANCE LEAD TO A SECOND WORLD WAR?

By Chiang Chun-chen

With the outbreak of Sino-Japanese hostilities both on the North China and Shanghai fronts, statesmen of the entire world are centering their attention to the problem: "Will China's armed resistance lead to a second world war?" In analysing this problem, Mr. Chinag Chun-chen, noted Chinese political writer, in an article in the "Wen Hua Chan Shing" (Cultural Front) came to the conclusion that the armed resistance against Japan will not accelerate the second world war but instead may stop it entirely.

Pointing out that the nature of China's armed resistance is entirely different from that of a world war, Mr. Chiang said:
"The present struggle of China is one for the preservation of China's independence. It is a struggle against Japan, the oppressor. Historically speaking it is a progressive war, a war to end war. In addition to the preservation of China's independence, China is fighting Japan for the preservation of peace in the Far East and the civilization of the world.

"A world war is fought for the re-division of colonies among the Imperialist countries. It is a war leading to the destruction of culture and humanity. It takes the form of a struggle between one group of Imperialists and another group of Imperialists or between Imperialists and weak and oppressed nations. The first world war started in 1914 in the second form but changed to the first. The second world war might, also take the form of between the Capital-Imperialist countries on the one hand and Socialist countries on the other. No matter in what form the world war will be, it is an attempt to divide the weak and oppressed nations by the Imperialistic Powers. This kind of war is not what China wants. In co-operation with other Powers, China will do her best to stop such a war. From theabove it may be said that the present armed resistance against Japan is a war for solf-independence and preservation. It is different from a war of expansion."

Although China is working closely with the peace-loving countries to stop the second world war, Mr. Chiang continued, "the second world war is near at hand." In comparison with the eve of the first world war, Mr. Chiang pointed out the three important characteristics of the present time.

"First and foremost, a Socialistic country - the U.S.S.R. - has been firmly and strongly established at the present time. Soviet Russia has become the champion of peace. This was not found in 1914.

"Secondly, Fascist court ries have been well-established at the present time. This group of countries aim to expand their territories at the cost of others.

 $^{\mathrm{II}}$ Thirdly, the weak and oppressed nations a t the present time have been awakened.

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"Because of these three characteristics, the present world has divided into two camps, one comprising of the democratic and socialistic countries who want peace and the other the Fascist countries who want to occupy others! territories."

Doctaring that the domocratic-socialistic countries have so far madelittle headway in the preservation of peace, Mr. Chiang continued: "The armed resistence against Japan will eventually assist in the long run the joint efforts of the world to preserve peace. Because of the determination of China to resist the aggresser to the bitter end, foreign Powers have expressed their readiness to check the aggressor. With the growing international actions to check the aggressor, it will in turn stop the outbreak of the second world wer. If the Powers do not come to China's assistance but instead leave the aggressor to carry out heraggressive activities, the second world war will be brought about in the near future. It is plain that if no action is taken by the Powers at the present oritical moment, it will serve to encourage the aggressor to carry out the plan of aggression."

In conclusion, Mr. Chiang said: "China doos not want a second world war. China's armed resistance against Japan is a struggle for independence. It is also a means to stop the second world war by stimulating the peace-loving Powers to take concerted action to check the aggressor. If we can fulfill our mission of armed resistance, when we emerge victorious, the second world war will be definitely eliminated."

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### CHINESE PRESS COMMENTS

### 1. THE UNITED STATES AND THE FAR EAST

The United States has undoubtedly occupied a most important position in the history of the Far East during the past century, says the Ta Kung Pao in an editorial in Nev. 28. Closely following Great Britain, the United States established its position in China in 1844, when it concluded its first treaty with China. In 1853 the United States opened Japan by concluding an agreement with the Japanese Government, marking the establishment of American influence in the Far East.

Great changes have been effected both in China and Japan since the development of American influence in this part of the world. With the establishment of control over the Philippine Islands in 1898, the United States obtained a naval base in the Far East, and greatly increased her political influence in the Pacific.

In 1898 China was in a most critical situation, facing the danger of partition among the Western Powers. Kiaochow, Port Arthur, Dairen, Weihaiwei, and Kwangchowwan were leased by Western Powers and developed into naval bases. It was at this time that John Hay, American Secretary of State, announced his famous "Open Door" Policy, saving China from its great crisis. The Open Door policy has ever since been the dominating principle of American policy in China.

For decades Japan has tried to substitute for this Open Door Policy her Asiatic Monroe Doctrine. In 1902 she concluded the Anglo-Japanese Alliance, and in 1907 concluded agreements with Russia and France, aiming to dominate China herself. Following the outbreak of the World War, Japan's ambitions were clearly revealed by the presentation of the Twenty-One Demands. Britain, France, and Russia, deeply involved in the World War, were not in a position to stop Japan. Only the United States strongly protested the Japanese action, and saved the situation to some extent.

Following the World War, Wilson's ideas were not carried out and the Versailles Peace Conference failed to solve the Far Eastern problem. In 1921 President Harding called the Washington Conference, where the Nine-Power Treaty was concluded and the Open Door Policy was reaffirmed. Since that time American economic and political influence in the Far East has developed greatly. American trade with China has so increased that the United States has become the leading country in this trade. Following the retrocession of the Boxer Indemnity to China, Chinese students have been sent to America in considerabel numbers, establishing close cultural relationships between the two countries.

Following the establishment of the National Government at Nanking, the United States was the first foreign government to sign an agreement with China acknowledging Chinese tariff autonomy. The United States has played a most important part in the Far East, and for the past generation has been a leading figure in Far Eastern politics.

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Folliwing the Mukden Incident in 1931 Mr. Stimson, American Secretary of State, made public the American stand, but failed to do anything because of the British refusal to cc-operate. This assisted the Japanese to expand their aggressive activities in China. At the same time, American influence in China declined. During the past few years Britain has adopted a more positive attitude in China, but the United States has truned to a more passive one. On October 5, when President Roosevelt delivered his famous speech condemning Japanese actions in the Far East, we thought the United States would again take an active and leading a rt in Far Eastern affairs. The activities of the American delegate to the Brussels Conference made us believe that the United States was prepared to assist China once again.

It is most regrettable that President Roosevelt's speech and Mr. Davis' Brussels activities were brought to naught by the isolationist elements in the American Gongress. Because of the latter elements, President Roosevelt in his speech to Congress failed even to touch upon the Far Eastern problem. Because of their activities, the Brussels Conference was a complete failure. It is apparent that the United States will "hide its hands in its sleeves," and will do nothing to preserve world peace. Once again the United States is waiting for the Far Eastern conflagration to spread to her own shores, and to destroy her economic interests and political influence in this part of the world.

Is the United States really prepared to withdraw from the Far East, and abandon her position both economically and politicaally here? We do not believe the United States will adopt such a short-sighted policy. It must be remembered that in addition to her economic and political interests in China, she controls the arteries of Japanese economy, and is in a position to check Japanese aggression. We sincerely believe that the United States will not allow Japan's Asiatic Monroe Doctrine to take the place of America's Open Door Policy in the Far East. We do not believe that she will let the conflagration kindled by the Japanese destroy her interests in the Far East, and take no steps to check the fire from spreading to the eastern shore of the Pacific. If she takes no steps to fight the fire now, however, it will soon be too late for the United States to check it, whatever her desires.

## 2. LESSONS OF OUR ARMED RESISTANCE

For five months China has resisted Japanese aggression, notes the Ta King Pao in an editorial on November 27. In these five months we have suffered heavily, in a military way. But we do not believe in any case that military operations will solve the Sino-Japanese problem; military success at most will solve only one phase of the difficulty. The other phase is dependent upon the rmancipation of the people. We wish to discuss this latter, as lessons from the experience of the past five months can teach us the fundamental conditions for the attainment of final victory. So longas we keep our humiliation in mind, we shall be a ble eventually to wipe it out.

Most important of all is that we depend upon ourselves. The hope to preserve our independence thanks to Japan's weak - 13 -

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points, or to wait for assistance from Western Powers, will mean the destruction of our country. We must depend upon ourselves for the salvation of our country. If every Chinese awakens to the seriousness of the present situation we can move forward, can save our country.

During the past five months we have discovered that we had in reality but little preparation for armed resistance. Except for military preparations and financial organization, little has been done. Nothing has been done towards the organization of the people, the strengthening of the political organization, the control and development of industry, the introduction of a new educational policy. For these reasons it can be said that China, after five months of hostilities, has not yet completely mobilized.

In Shanghai, before other places, voices were raised calling for resistance. But what did we do after the outbreak of hostilities? Shanghai is the center of Chinese finance and industry. Did we remove our factories from Shanghai to the interior, in order to save them from being engulfed by the Japanese, and to meet the increasing demands for necessities in the interior? Knowing that Shanghai would be the first to be attacked, why did we spend millions of dollars in unnecessary construction? When hundreds of thousands of Chinese troops were finally fighting in the vicinity of Shanghai, why was no political mobilization and no organization of the people carried out?

Besides these difficulties in regard to lack of internal preparation, China as a whole fails to understand the international situation. There were persons who believed that as soon as China resisted, such and such countries would take such and such actions to assist us. Their belief might be correct, but they failed to consider the time element. When are we likely to receive such assistance? Because of this expectation of foreign aid, the withdrawal of Chinese troops to the interior has much discouraged one group of Chinase. But it must be noted that we must depend upon ourselves. We cannot expect assistance from others. We must be prepared to struggle for ten years, with or without outside assistance. Maintaining this spirit, the outcome of the Nine-Power Conference should not affect us. Maintaining this spirit, the silence of the Soviet Union in the face of the present critical situation will not cause us to blame her.

In general, it may be said that we need a strong national defense organization. We need the spirit of hard work, strict discipline, strong organization, so that the entire country may be mobilized to resist the enemy. We must have confidence in ourselves, and depend upon ourselves to resist the enemy. Regeneration can only be obtained through sacrifice. For five months we have resisted the Japanese invasion. It is time to remedy our shortcomings, so that we will be prepared to carry on a prolonged struggle.

## 3. FROM ANGLO-GERMAN TO ANGLO-FRENCH CONVERSATIONS

Following closely on the Anglo-German conversations in Berlin, says the Ta Kung Pao in an editorial on November 30, Anglo-French conversations started in London, and in the near future Anglo-American negotiations will be resumed to discuss mutual trade problems. These various diplomatic activities between Britain and Germany, Britain and France, and Britain and the

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UnitedStates, are undoubtedly of much significance in regard to the Far  $E_{\rm astern}$  problem.

With the failure of the Nine-Power Conference and the conclusion of the tripartite Anti-Communist Pact among Germany, Italy, and Japan, other Western Powers -- including particularly Great Britain, France, and the United States -- are more or loss obliged to take definite action to meet the rew international developments. Though we are not in a position to say that these negotiations have the Sine-Japanese conflict as their main topic of discussion, it is certain that they are closely concerned with the Far Eastern situation.

Great attention should be paid to the development of these negotiations, as the stabilization of the European situation will affect the situation in the Far East. If they fail to stabilize the European situation, this will be disadvantageous to China. Though China is determined to depend upon herself to solve her problems and preserve her independence, she cannot ignore international developments; she does not wish these developments to assist her enemy and pile up obstacles for China in her armed struggle against aggression.

For this reason, it is most important that we watch closely the developments of the present negotiations in London. It is not out of place, therefore to analyze here the European problems.

With regard to the Anglo-German conversations, it is to be noted that Viscount Halifax visited Berlin on November 17, and talked with Herr Hither and other German leaders for a few days. So far, the contents of these conversations have not been officially released. It is learned, however, that when Viscount Halifax returned to London on November 22, he told press representatives that his conversations in Berlin were secret and confidential. It is further learned that the German Foreign Minister will go to London shortly to continue the conversations with members of the British Government. According to the "Manchester Guardian," as a result of these conversations Germany is expected to join the League of Nations again, with the fellowing conditions:

1) The League Covenant will be revised. 2) The League Covenant and the Versailles Treaty will be regarded as two distinct and different agreements. 3) That the Powers will revise their regulations and laws with regard to certain minority peoples. 4) That Great Britain will extend recognition to the Italian Empire. 5! That Great Britain will permit the Czechoslovakian Government to be reorganized as a federation. 6) That Great Britain will give no assistance to Austria, -- political, military, or diplomatic.

It is stated that if Great Britain will accept these conditions, Germany will agree: 1) To do her best to restore place in the Far East; 2) To do her part to stop the civil war in Spain; 3) Not to bring up the colonial problem for a period of six years, after which Britain will assist Germany to regain her former colonies; 4) Not to establish naval or air bases in her colonies after their restoration to Germany.

From the above points it would appear that the colonial and Austrian problems are the most important. It must be remombered that Herr Hitler in a pecent speech repeatedly asserted

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that Germany would regain her colonies. Furthermore, General Gooring has full control of German oconomic life at present, and he is one of the advocates of restoration of the colonies. It is generally believed that if Great Britain and France cannot satisfy Germany with regard to this colonial problem, there is no chance for any understanding between Britain and Germany.

As to the Austrian problem, it may be stated that Germany has not yet abandoned her dream of incorporating Austria into the Reich. It is even reported that Germany is advocating a plobiscite by the Austrian people to decide whether or not Austria shouldbe so incorporated. The amalgamation of Austria and Germany would mean the withdrawal of British and French interests from Central Europe, which Britain and France do not seem to be prepared for at present. It must be mentioned that the conditions presented by the German leaders through Viscount Halifax are more definite and concrete than the unlimited demands presented by Herr Hitler after the abolition of the Locarne Pact. It is for this reason that Great Britain and France have intimated their willingness to consider those problems.

Rogarding the anglo-Fronch conversations, it is significant that immediately after the return of Viscount Halifax from Borlin, invitations were sent to the French Promier and Foreign Minister to visit London. It is to be noted that these invitations were immediately accepted by the Fronch leaders, and that conversations are being held in London. Though no official report has as yet been released regarding the content of these discussions, it is apparent that the British and French statesmen will go over a wide range of subjects. It is unofficially reported that they will not only discuss the results of Viscount Halifax's visit to Berlin, but also the Sino-Japanese conflict, the Spanish civil war, the problem of the Moditerranean, and the trade negotiations between Britain and the United States.

Among these many problems, we believe that the most important will be that of the former German colonies. Two possibilities are reported open, -- either full acceptance of Germany's demand to restore the colonies, or an "Open Door" policy to permit Germany to buy all necessary raw materials and sell, her manufactured goods in her former colonies. The present situation indicates that the second solution will be the street decided upon. A Havas report from London declares that the Great Britain is even ready to give Germany financial assistance in the purchase of raw materials from the colonies. French newspapers have carried reports that the French Government is willing to co-operate with Germany to develop these colonies economically. Reports indicate that both Britain and France are prepared to compromise with Germany,

With regard to Central Europe France seems to adhere to a positive attitude and Britain to a passive one. The plans of the French Foreign Ministry to enter into negotiations with Poland and with the states of the Little Entente show that France is not prepared to abandon her influence in Central Europe. With regard to the Far East, Britain and France are mainly concerned with the Shanghai situation at present. That Great Britain, France, and the United States have made representations to Japan regarding the Customs situation in China shows

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the possibility of collective measures and a common attitude among these three Powers in the Far East.

Until the conclusion of the Angle-French conversations in London, there is little that we can predict. Reports that Great Britain is suggesting that France abandon her mutual assistance pact with the Poviet Union, and that Britain is eager to conclude a Western European Pact, will have to be established by more definite facts in the future. It is to be noted that Italy does not welcome these conversations between Britain and Germany in Boff in, and between Britain and France in London. The recent unanimous attack by the Italian press upon the French Minister of the Navy illustrates this point. If Britain will, however, assist Italy financially in the development of Abyssinia, as reported, it is probable that Italy will not raise any voice of opposition against these conversations in Berlin and London.

The Anglo-German and Anglo-French conversations are important international developments. Whether the Anglo-French combination can cooperate with the Rome-Berlin axis or not, and whether or not Britain, France, and the United States can take further joint steps in the Far East, depend upon these conversations. From whatever viewpoint we look at these discussions, they are most important to the future development of the international situation.

### 4. ANGLOSFRENCH CONVERSATIONS AND THE FAR EAST

In these columns a few days ago we commented in detail, says the Ta Kung Pao in an editorial on December 3, upon the importance of the Anglo-French conversations in London. With the conclusion of those conversations we know oven more fully the importance of these discussions, as the British and French remiers and Foreign Ministers discussed all the European problems, and the Far Eastern issue as well.

On November 30 official British reports stated that British and French representatives agreed that the Far Eastern problem was of most importance in international relations, and that the Powers would cooperate for the preservation of their interests in the Far East and to uphold the sanctity of international agreements. The British official report stated further that Great Britain and France would never change their original stand of co-operating with other Powers, and wanted to reiterate their readiness to so co-operate, through peaceful methods, to preserve world peace. Though the se official reports are rather general in their mature, they show that the Sino-Japanese conflict has occupied an important part in the Anglo-French conversations in London.

Various persons have various opinions regarding those official British reports rogarding the conversations. One French paper believes that the statements indicate a firmer attitude being taken by the British and French authorities than is shown by the declaration of the Nine-Fewer Conference. Both Britain and France are now ready to co-operate with other Powers for the preservation of their interests in the Far East and the maintenance of the sanctity of international agreements. Another French paper believes that the official statement indicates that Great Britain and France will take no action in the Far East if the United States and Soviet Russia do not take similar actions.

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We feel that both of these opinions are close to the truth of the matter. Both Great Britain and France have big interests in

the Far East, and under present conditions both of them are naturally much concerned at the outcome of the situation here. Though the Nine-Power Conference was a complete failure, this does not mean that the Powers are prepared to abandon their interests in this part of the world. Under present conditions, it is safe to say that the conflagration is spreading in the Far East, and that the international order has been seriously shaken.

British, American, and Soviet colonics or territories in the Far East are directly threatened. Economic and political interests of various Powers in China are directly threatened. This great Far Eastern market has been almost completely destroyed. The Chinese Customs, which most concerns the Western Powers because of the leans secrued on the Customs revenues, will soon be taken over by others. None of these things can be disregarded by the Powers. It is for this reason that Britain and France have warned Japan, and that Britain and France are discussing international co-operation to solve the cenflict.

Warnings, however, will bring no results. Discussions of international measures to check Japanese aggression will bring no results. The past few months have proved beyond all doubt that warnings and international discussions cannot stop Japanese aggression.

Referring to a "Havas" dispatch from London dated November 30, doclaring that the United States may not co-operate with European countries for joint action in the Far Eastern conflict, the "Ta Kung Pao" declares that this report is quite true. This being the case, and if Anglo-French conversations can only be transformed into a ction by American co-operation, failure to take action is a foregone conclusion. The failure of the Nine-Power Conference and the refusal of the American Ambassador-at-Large to go to London for the new discussions prove this point clearly.

In general, Great Britain is attempting to solve European problems first. With the settlement of European problems, Britain hopes to solve the Far Eastern problem. If Britain and France are ready to satisfy Germany in Central Europe, and satisfy Italy in Spain, European problems will be solved to a great extent, and the Far Eastern problem will be comparatively easy to tackle, as no fresh oil will be poured on the Far Eastern fire by European Powers. In this situation, the fire-fighters will be in a position to bring the fire under control, and eventually to extinguish it.

It is to be hoped that Great Britain and France will take definite action to protect their interests in the Far East, and through the stabilization of the European situation will be able to solve the Far Eastern problem and preserve world peace. As to the United States, we hope that President Foosevelt will educate the isolationists regarding the new developments in this part of the world, and teach them that this is no time to indifferently "stare at the fire across the stromm." The ultimate result of isolationist policy is the loss of their own interests in the Far East, and eventually the endangering by growing militarism of their home interests on the eastern shores of the Pacific.

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### 5. THE LOST ISLAND

It was one of the famous cities of the world, and some three million persons are still living there. Around it, today, there are ashes and ruins, among which lie dead bodies. Fires are still burning, and death is everywhere. Because of its complicated political organization, what remains of the city has become a "safety zone" in the midst of massacre and death. Three million persons a re living there.

It was formorly a great port, an important contor of communication by land and sea. Maritimo contacts, however, has been cut off by the blockade, and communication by land has been cut off by the destruction or blocking of highways and railways. Besides the problem of communication, the inhabitants of this isolated city face the desperate problem of livelihood itself, of feed, clothing, and shelter. The city is surrounded by an atmosphere of death. Within it, however much money one may have it is difficult to buy feed. Rice shops have closed their deers, with notices on the deers saying "All Sold Out." A small window may be opened in a rice shop, and thousands struggle to reach it to buy a handful of rice. What one buys after waiting a day will not last the family for two days. Fires are burning around the city, and new ones being started daily, but there is no fuel for the ordinary inhabitants of the city.

Most of them have coased to have any protection whatsoever from their Government. The poor, who have lost even their little possessions, do not know what may happen tomorrow. The rich also do not know. There are hundreds of thousands of wretched refugees, but there is also music and dencing in the city. Some of the people have completely lost their souls, others their hearts. They are cut off from the outside world, on an island surrounded by ruin and death. This lost island is Shanghai of the present day.

Shanghai is the biggest city of China. It is almost the heart of the country. The life-blood must flow through the city and be distributed throughout the body -- the cuntry. Ordinarily, every jump of the heart -- every important economic or political move in the city -- affected economic and political conditions throughout the entire country. Today, the city is wholly cut off from the country of which it was the most vital center. It has become an isolated and dead island. The loss to the people and to the country is incalculable.

This situation, however, is inevitable, in the process of national regeneration. For national revival and national omencipation, we must accept our fate with courage. People who remain on this isolated spot of land must keep their hearts on the national struggle. Persons remaining on this island should not lose their souls. All must remember the sacred struggle for their fatherland.

At this time, all should think what has happoned, and plan what may come. They should give up their luxuries -- those who have luxuries -- and enter the difficult road of bittor sacrifice. They should assist their loss fortunate follow-countrymen to save themselves. They must always remember the their country, and be prepared to do their duty. A country may be "lost." Territories may be occupied. But the heart - 19 -

of the people cannot be stopped. A country can revive even after "acatruction." Territories can be recovered even after their occupation. But where the heart is lost, all is lost. The Chinese nation has lived on for five thousand years. China has gone through many generations of suffering and hardship. That she has survived it all is due to her national consciousness, her national personality.

The Southern Sung Dynasty was destroyed, but Wen Tien-hsiang's noble spirit could not be destroyed, and in later years Chu Yuan-chang defeated the Mongols and revived the country. In the latter days of the Ming Dynasty there stood out Shin Kuo-fa's spirit of sacrifice, later inspiring Dr. Sun Yat-sen to the everthrow of the Manchu Dynasty and the establishment of the Chinese kepublic. Once again China is facing national crisis. We do not fear the occupation of our territory by the enemy, we fear only that the hearts of the hinese people may be lost. The fall of Peiping and Tientsin is unavoidable in the struggle for national regeneration. But it is disheartoning to see the activities of Kiang Chae-chung and other traiters and enemy puppets in Tientsin and elsewhere. We are pround to hear of then Shan-li, after the fall of Peiping, starving himself to death at the age of eighty years, by a fast of fifty days. This shows that Chinose remain Chinese!

Shanghai has fallon. Around the city, the warm blood of many gallant defenders has been shed. The benes of these noble defenders are scattered wide or bleach in the sun. What concerns us now is whether the three million inhabitants of our little island remember themselves as Chinese. Fellow-countrymen! Each of us must keep his soul clean, and devote it to our national salvation.

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## CHINESE OPINIONS ON CURRENT EVENTS

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CONFLICTS BETWEEN EUROPEAN POWERS AND CHINA'S ARMED-RESISTANCE

By Li Shen-wu
Former Director of General Affairs of the
Ministry of Foreign Affairs and Editor of the Eastern Miscellany

Whenever Japan launches her attack on China, the Powers must be busily occupied with their own problems in Europe. At the present time when China is determined for the first time to resist the aggressor to the bitter end, it is not out of place to analyse the situation in Europe and to find out whether the Powers will in a position to uphold justice and check Japanese aggression or not.

Great Britain has always been eager to maintain the status quo in Europe. She wants to maintain her power as the victor of the World War. She wants to protect her colonies scattered all over the world. She wants to sell her goods to the world markets. These can only be achieved if there is no war. It is for these reasons that Great Britain is the champion of peace. Her policy has always been directed for the seeking of peace. She is extremely patient in dealing with complicated international problems, because she wants to preserve peace by diplomatic means.

After the world war, Britain spent much of her wealth and her best personnel in the establishment of a number of buffer states so as to protect her interests in India as well as her rights over important oil fields in Europe. Both India and these oil fields are the "life-lines" of Great Britain. Unfortunately both of them are now seriously threatened by other Powers.

Of the two big oil fields in the world, one is in Roumania which is of great importance to Soviet Russia. The other one is at Mosul. Judging from the present conditions both of these oil fields are within the scope of Germany's plan of eastward advance. Germany is now in a position to send her troops from the famous Moravian Gateway to occupy the first oil field in Roumania. With the occupation of this area, she will be in a position to take the Mosul fields easily. With the occupation of these oil fields, Germany will not only become the dominating Power in Europe but will extend her power to Western Asia and India.

The most serious obstacle to Germany's expansion is Czechoslovakia. It is no secret that Czechoslovakia has never been Germany's friend. In 1925 she concluded a mutual-assistance pact with France, Germany's traditional enemy. Two years aho immediately after France and Soviet Russia concluded a mutual-assistance pact, the Czechoslovakia-Soviet Pact of Mutual-assistance was signed. This pact provides that when France or Soviet Russia is attacked by Germany, Czechoslovakia will come to their assistance. Meanwhile, if Czechoslovakia is attacked by Germany, both France and Soviet Russia will come to her assistance. From these pacts, it is apparent that France, Soviet Russia and Czechoslovakia are apprehensive of eventual invasion of their territories by Germany.

The geographical position of Czechoslovakia makes her the most dangerous spot of all Europe. All the important battles in Europe since the 13th century were fought in this piece of land. It is in Czechoslovakia that the famous Moravian Gateway is situated. On its east we find the Tatra Mountains and on its west is the ancient kingdom of Bohemia. Bismark used to say that the Moravian Gateway was the central fortress of Europe created by God.

Following her despatch of troops to the Rhine, Germany's ambition has been vividly and boldly revealed to the entire world. Following the arrival of German troops in the Rhine, Czechoslovakia doubled her energy to strengthen the Moravian Gateway. Secretly she has built over 220 airfields in the area, which were inspected and regarded as satisfactory by Soviet aviation experts last Summer. As to Germany, she has built airfields, barracks, highways, as well as munition depots in her eastern boundary. It is Germany's strategy to attack Ozechoslovakia first in an attempt to occupy the Roumanian oil fields and Soviet wheat fields in Ukraine. If she succeeds in this attempt, Germany will have enough flour to feed her troops and enough Ozechoslovakia will be the first to be sacrificed on the alter of war.

Diplomats of the European Powers are new worrying over future developments. They are eager to find a formula to stop a future war. They are considering for themselves which particular country they should sacrifice in order to satisfy the aggressor and postpone hostilities. Under this situation is it correct to blame the United States for adopting the so-called neutrality law? Meanwhile militarists in Europe are busy, very busy in strengthening their military forces.

Among the outstanding British conservatives, who are most hostile in attitude to Soviet Russia, is Mr. Vinston Churchill. Even Mr. Churchill, because of the recent developments in Europe, has advocated co-operation with Soviet Russia. It must be noted that it was Britain who assisted Germany indirectly to restore her naval strength. She sided with Germany for the purpose of checking the expansion of Soviet Russia. She succeeded in maintaining herself as the dominating Power in Europe by balancing Germany against the U.S.S.R.

Recently Mr. Anthony Eden, British Foreign Secretary, declared in a speech that Great Britain is prepared for war not only if France is invaded but if any other member state of the League in Europe is attacked. The French Minister of Foreign Affairs, Mr. Y. Delbos declared also that France is ready to carry out her treaty obligations with Soviet Russia and Czechoslovakia in the event of war. These utterances are undoubtedly directed against Germany.

That Great Britain, a country famous for her compromising attitudes, made clear her intention through her Foreign Secretary in such a clear and definite tone is of great significance. It is always Britain's policy to take initiative in diplomatic negotiations. And as to military operations, she will come in at the end and give the last blow to the country which she considers as her enemy. When the Japane-German anti-Communist pact was concluded last year, a sudden change of British policy was noticed. She gave up immediately her pro-Japanese and pro-German attitudes and developed close relations with the U.S.S.R. Britain cannot afford to see the co-operation of Germany and Japan in the Far East and in Europe. Simultaneously she embarked on a movement of building her nevy. It was at this time that Japan started her military adventure in our territory.

While China is putting up a stiff resistance against the aggressor, we expect that our friendly Powers will do their part to uphold justice and come to our assistance. We are in fact

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fighting in the front for the peace-loving countries against the aggressors. We are fighting in the front for all the countries who want to preserve peace. We are fighting in the front for the formation of a collective security system in the Pacific.

We want the Powers to assist us in the common struggle against the aggressor. How is it that none of the Powers have so far giving us concrete assistance? In Europe both France and the U.S.S.R. made it clear that as soon as Germany attacks Czechoslovakia, they will assist Czechoslovakia. How is it that France and the U.S.S.R. fail to take the same attitude in China? It is true that Czechoslovakia's position in Europe is different from that of China's position in the Far East. But the assurance which Czechoslovakia receives from France, Soviet Russia and Great Britain is due to her diplomatic activities in the past ten years.

It must be also remembered that the more serious the European situation becomes, more assistance we may expect from foreign Powers. The situation has not been aggravated to such a stage that the Powers must throw all their weight to the suppression of the aggressor. Great Britain is still doing her best to maintain peace by diplomatic means. She is still seeking compromise between the various Powers. Since the outbreak of Sino-Japanese hostilities, Britain has been very conciliatory to Italy. It may be said that before long Britain will be more friendly to Italy in an attempt to satisfy the ambition of Rome and to restrict her from giving full support to Germany in the latter's plan of expansion.

Meanwhile Britain has not yet completed her plan of armament expansion. During this time, she is not prepared to see the outbreak of the second world war. Knowing clearly this situation, the Japanese militarists have launched their military adventure in China. With an understanding of this situation, it is doubtful how much foreign assistance China may receive and when this assistance may be forthcoming.

In the Far East, Soviet Russia's position is not much different from China's. She is also threatened by Japan. Judging from the foundation of her Government which is based on the principle of Communism and her international position, she wants peace so that she may continue her internal construction. In the past years she offered to conclude non-aggression pacts with China and Japan. It was only very recently that the Sino-Soviet Non-Aggression Pact was signed. Although Soviet leaders have repeatedly declared that the Red Army is ready to give blow for blow to any foreign invader, she has bent her energy to establish friendly relations with her neighbors for the maintenance of peace. She has paid equal attention to military preparation and diplomatic negotiation.

Since the establishment of the puppet state of "Manchukuo," border clashes between Japan and the U.S.S.R. occurred no fewer than 400 times. In 1935 as many as 136 border clashes were recorded, in 1936 a total of 203, and from January to June, 1937, 86 clashes. Whenever such clashes were reported, great attention was paid to the attitudes of Moscow and Tokyo for fear that major clashes might be developed. Recently the situation was very serious when the Heilungkiang incident was reported. However,

no war has yet broken out between Japan and the U.S.S.R. Judging from Soviet policy in the past few years, it is safe to say that she will not strike the first blow.

Realizing the serious conflicts between the European Powers, Japan in her military invasion of China used the slogan of anti-Communism. She hopes that after some minor military successes the Powers will mediate for peace. If China accepts any mediation, she will be the sole one to sacrifice as a result of the conflicts between the Powers. The consequences will be far more dangerous than what we suffered in the Boxer Rebellion of 1901. China will be deprived of the opportunity to restore her independence.

To meet this situation, our only weapon is armed-resistance. When this armed-resistance is extended to the border of the U.S.S.R., Soviet Russia will give a certain amount of assistance to China. If we can carry on the armed-resistance for a long time, the Powers of the world will be more clearly divided into two camps and the friendly nations will come to our assistance. President Roosevelt has said: "The country who cannot defend her own territory cannot receive any assistance from the Powers." This statement reveals the real truth of world politics.

The present Sino-Japanese hostilities have told us that China can carry on the resistance for a long time. Although the present situation in Europe is favorable to Japanese military aggression, the situation may change soon. As long as we carry on our armed-resistance we shall be able to emerge victorious at the end. If any foreign assistance is forthcoming, it should be received as something extra. We entertain no illusions. We will not be discouraged if we lose one or two important cities. Our struggle is one against the aggressor. Except Japan, all Powers are out friends. We should establish friendly relationships with them. China will never surrender to brutality. -- "Eastern Miscellany", Vol. 34. No. 19.

### ITALO-GERMAN-JAPANESE ANTI-COMMUNIST PACT AND CHINA'S FOREIGN POLICY

### By Chung Yu

One year after the conclusion of the German-Japanese anti-Gommunist agreement, Italy joined in and formed the tri-partite anti-Communist Pact. This action on the part of Italy is of great significance to China at the present time when China is carrying on her armed-resistance against Japan and when China has recently concluded the Sine-Soviet Non-Aggression Pact.

With the outbreak of the Sino-Japanese war, the real attitude of Soviet Russia toward the Far East has been a matter of great concern to the Japanese authorities. It must always be remembered that Japanese military operations in China at the present time are not only for the occupation of North China but also for a future attack upon Soviet Russia.

It may be recalled that the North China incident occurred immediately after the refusal of the Chinese Government to co-operate with Japan in the so-called anti-Communist front. The present Japanese military operations are attempting to dominate China as a whole and attack Soviet Russia from Suiyuan and Chahar. Japan aims to separate China from Soviet Russia and to deal with each of them separately.

The German-Japanese anti-Communist Pact has had most unfavorable repercussions to both Germany and Japan. It is needless to say that France and Soviet Russia both strongly oppose it. Even Britain and the United States have expressed their dissatisfaction with this Pact. Mr. A. Eden, British Secretary for Foreign Affairs, in an address deplored this action of dividing the world into different camps.

Commenting on this pact, the London <u>Times</u> declared that this agreement would make it possible for Germany to do what she wanted in Europe and Japan to do what she wanted in Asia. The expansion of Japanese influence in Asia would seriously affect the safety of Hongkong and Singapore, important British navel basis in the Pacific.

Col. Edward House predicted that this agreement would compel Britain, France and the United States to co-operate closely with the U.S.S.R. rather than with Germany and Japan, because Soviet Russia was seeking for peace while Germany and Japan are for war. It was for this reason that both Germany and Japan have exercised special precation in their diplomatic dealings with Britain and America in the past year. They have tried their best to remove any suspicion on the part of Britain and America. It was for this reason that both Germany and Japan have been most conciliatory to Britain.

With the outbreak of Sino-Japanese hostilities, however, the Anglo-Japanese negotiations in London came to an abrupt end. With the joining of the German-Japanese anti-Communist Pact

by Italy, the British attitude would be further affected. This tripartite pact aims for Japan to occupy China, for Germany to establish herself as the dominating power in Central Europe, and Italy to rule the Mediterranean Sea.

To Japan this tripartite pact is an answer to the newly concluded Sino-Soviet Non-Aggression Pact. With this tripartite pact, Soviet Russia cannot concentrate her attention in the Far East because of the serious situation in Europe. This will prevent Soviet Russia from giving any assistance to China. Furthermore Britain will have to concentrate on Europe and will find it impossible to interfere with develop ments in the Far East. Because of this tripartite pact, Japan's attitude toward the Brussels Conference has been a very strong one. This is why she has been extremely firm in her refusal to attend the Nine-Power Conference. Japan's decision has made it impossible for Britain and America to mediate for a peaceful solution of the Sino-Japanese conflict. Under this situation Britain will co-operate closely with France and Soviet Russia to solve the Spanish problem. In the Far East she will follow America to preserve peace in China.

Britain and America have therefore become the deciding Powers of peace. If Britain joins hand with France and Soviet Russia, peace in Europe can be preserved. If Britain and America take joint actions in the Far East, peace can be maintained in the Pacific. Britain and America have become the axis of peace.

China's foreign policy has beenclearly revealed by Gen. Chiang Kai-shek, who said: "Internally we shall seek for our independence and externally we shall strive for mutual-existence with foreign Powers." To accomplish this objective, China must co-operate with America and Britain.

As America and British hold the fate of the world, it is but natural for France and Soviet Russia to co-operate with them. In the past few years, close co-operation has been maintained between Britain and France as well as between Britain, France and America. The monetary agreement of these three countries is a manifestation of this co-operation. It is because of the fact that no close co-operation has yet been achieved between Britain and Soviet Russia that Germany has given continuous assistance to the rebellious troops in Spain and has prolonged the Spanish civil war. It is for the same reason that Japan embarked her military campaign in China. It is also for the same reason that Soviet Russia has tried to form a British, French and Soviet bloc in Europe to check Germany, and a British, American and Soviet bloc in the Far East against Japan.

Under these conditions, it is therefore absolutely necessary for China to persuade Britain and America to co-operate with Soviet Russia.

Our foreign policy is resistance against Japan. Our foreign policy should be one of joining hands with all anti-Japanese Powers and neutral Powers. If Germany and Italy concluded the anti-Communist Pact with Japan for the purpose of suppressing the alleged Communist influence, and not against China,

we can consider them as neutrals. Therefore, we should pay more attention to America and Britain than Soviet Russia. To seek assistance from Soviet Russia will not only arouse hostile attitudes toward China in Germany and Italy but will also create bad impressions in America, France, and Britain. In seeking assistance from America and Britain, we will not only automatically receive assistance from Soviet Russia, but we shall still remain friendly relations with Germany and Italy. Before Britain, America, France and Soviet Russia have concluded a united front and before the second World War breaks out, we should follow this policy of co-operating with America and Britain instead of Soviet Russia. -- "The Great Age Weekly", Vol. 1, No. 2.

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# ITALO-GERMAN-JAPANESE ANTI-COMMUNIST PACT AND CHINA

By Ping Fu

The Italo-German-Japanese Anti-Communist Pact was signed on November 6 in Rome. From now on these three Fascist countries will co-operate like brothers.

In the past few years, the aggressive front has been organized by Italy, Germany and Japan in Europe and Asia. Agreements have been concluded between these countries which are tantamount to military alliances. The present tripartite agreement consolidates this aggressive front and will become a serious threat to the peace-loving countries of the world.

Italy, Germany and Japan are now standing at the very front of military aggression. Day and night, authorities of these three countries are planning and working for the outbreak of the second World War. Day and night they are planning and working for the occupation of more colonies. The so-called "Anti-Communism" policy is but a smoke screen for their real designs of aggression. It serves as a pretext to attack China and the U.S.S.R. and meanwhile to obtain the support and sympathy of a group of capitalists in the foreign Powers. It is for this reason that M. Litvinov, Soviet Commissar of Foreign Affeirs in one of his recent speeches declared that the term 'anti-Communism' is a geological term as its main objective is to control natural resources of other countries including coal, and iron mines as well as oil fields.

That this tripartite agreement is signed at a time when war clouds are gathered both in Europe and Asia, reveals clearly that serious intrigues are being planned by these three Fascist countries. Since the Lyon Conference, when the Italian navy suffered a serious blow from the collective action of Britain and France, Italy has established closer contacts with Germany and Japan. It is not impossible that secret military clauses were signed by these three countries together with the anti-Communist agreement.

China, Britain and the U.S.S.R. are the objectives of this agreement. As a result of this agreement Japan will expand her military operations in China and double their aggression in this country. At the Brussels Conference we see clearly the joint action and common attitude of these three Powers, which are highly detrimental to China's interests.

Under this situation, there is only one way for China to choose and that is to conclude alliances with our friendly Powers to check Japanese aggression and to attack the Fascist front. (Wen Hua Chang Hsien (Cultural Front) No. 8.)

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## HAS CHINA AN OVER SUPPLY OF COTTON?

1. China's Large Cotton Production Presents Serious Problem to the Government

By Chang Lai-chi, former assistant manager of the Chekiang Industrial Bank.

Japan intends to make China into an agricultural country in her plans of Sino-Japanese Economic Co-operation. In the past few years, Japan has paid special attention to the production of Chinese cotton to meet the demands of the Japanese cotton mills in Osaka. Large sums of money have been invested in the plantation of cotton in North China.

In the beginning of this so-called Sino-Japanese Economic Co-operation, I wrote in my articles repeatedly that:

- (1) From the national defense point of view we cannot change the ricefields into 'cottonfields'. Otherwise, once China and Japan fight against each other and once the China coast is blockaded by Japan, China will not be defeated by the enemy but will die of starvation.
- (2) Aside from the problem of national defense, China should not cultivate more cotton than she needs as she has no haval force to protect her foreign markets. In other words, China cannot force the foreign Powers to buy Chinese cotton by war ships. Cuba and Brazil are good examples in this respect as they produce more sugar and coffee than they can themselves consume. We should produce those agricultural products which ourselves want, rather than producing more cotton for foreign markets.

Cotton production this year is estimated to be 19,600,000 piculs. At the price of \$50 per picul (some people still hope to get the handsome price of \$40 per picul) \$600,000,-000 is needed to buy all the cotton. As a result of the outbreak of Sino-Japanese hostilities, three-fourths of the cotton mills in China have suspended operations. With the blockade of the China coast very little cotton can be exported. Under this condition, it is estimated that the total consumption of cotton will be less than 8,000,000 piculs including the small quantity to be exported. If this situation continues for three or four years it will be unbearable, especially at the present time when every cent is needed for the purchase or manufacture of ammunitions.

In the past Japanese cotton mills in China took a large percentage of Chinese cotton. Export of Chinese cotton was completely monopolized by the Japanese merchants. In other words, our enemy is in full control of the cotton business. The serious problem of cotton reveals clearly the economic intrigue of Japanese imperialism.

From the standpoint of the livelihood of a large number of Chinese farmers, we cannot ignore the seriousness of the present problem. Knowing very well that we have no money and should not spend any money at the present time to buy and store cotton, we cannot overlook the very problem of living of the farmers, who constitute a large percentage of

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of the Chinese population. Furthermore at the present time of war, we should do all our best to strengthen the morale of our people. With the cotton quotations in Bombay decreased to \$20 per picul, it is feared that the Chinese farmers will suffer tremendously while the Chinese Government, meanwhile, will have to spend large sums of money on something which is not urgently needed for the present military campaign. In purchase of cotton from the farmers, therefore, the price cannot be fixed in accordance with the price of the previous year. It will have to be fixed in reference to the price of foodstuffs. If one mow of land produces \$10 worth of foodstuffs, the farmers will receive only \$10 for one mow of cotton produced. In addition to the financial problem, there will also be the problem of transportation, storage, and packing.

In conclusion, it must be said that this problem is the direct result of the Japanese 'Sino-'apanese Economic Co-operation.' This agricultural policy increases China's internal problems at the present time of serious national crisis. This serious problem was the result of the authorities in the past few years eager to compromise the Japanese. To free China from the present economic yoke, we must give up all the policies of compromise and struggle to the bitter end against the military aggression of the enemy. -- Shun Pao, October 28, 1937.

2. China Does Not Produce Sufficient Cotton For Her Own Consumption

By Feng Cheh-fang

On August 20, the Central Agiruch; mal Experimental Station of the Ministry of Industry, published its first estimate of cotton production this year. According to the report 19,600,-000 piculs of cotton will be produced this year in the entire country, being the highest figure ever recorded in China. As a result of the outbreak of Sing-Japanese hostilities, however, over 70 per cent of the outbreak of section mills have suspended operations, thus presenting a ser, we problem of over-supply of cotton.

In this article an examination will be made into the actual conditions of cotton production and consumption in this country in an attempt to find out whether there is in reality an over supply of cotton or not.

According to Mr. J. A. Todd the average share of cotton for each person in the world in 1936 was 8.7 Shih Chin (catties). In other words China must produce 39,670,328 piculs of cotton so as to be able to provide 8.7 catties of cotton to each Chinese. If the estimate of cotton production for China is 19,661,755 piculs this year, it shows clearly that China does not produce enough cotton and can only provide half as much to every Chinese when compared with that of the average for each person In the entire world.

At the end of January, 1957 total spindles in the entire world number 150,949,000 or an average of 366 spindles for every 10,000 persons of the world. In other words, the Chinese population of 444,480,000 should have a total number of 38,491,-968 spindles. Take the average consumption of cotton for

each spindle as 1 picul per year, the total amount of cotton to be consumed by 38,491,968 spindles should be 38,491,968 piculs, which is double the amount of cotton produced in China this year.

In 1931 total production of cotton in China was 7,741,174 piculs. In 1935 it increased to 16,299,268 piculs. In 1931 total consumption of cotton was 10,717,018 piculs while in 1936 was 11,107,516. This shows that China is self-sufficient in the supply of cotton. In 1936 as much as 5,000,000 piculs of cotton were actually consumed by the villagers for their hand looms! Reports from the Cotton Mill Owners' Association by the end of July revealed the fact that they had little cotton in store.

Furthermore with the establishment of new cotton mills and the installation of more cotton mills in a number of old mills, the consumption of cotton has been greatly increased. The following table shows the number of spindles scheduled to be installed this year:

Location	Mills	Number of spindles
Tientsin	9 Japanese mills Peiyang Cotton Mill	400,000 10,000
Tsingtao	10 Japanese cotton mills	310,000
Shanghai	3 Japanese cotton mills Hsin Yu Cotton Mill	90,000 5,000
Tsinan	Chen Tung Cotton Mill Jen Foong Cotton Mill	18,000 18,000
Chungking	Kialinkiang Cotton Mill	13,000
Changteh	Hengchung Cotton Mill	30,000
Changteh	Yu An Cotton Mill	50,000
Wuchang	Hsin Chung Cotton Mill	25,000
Hsiangyang	Hupeh Prov. Govern. Mill	50,000
Hsiaoshan	Chekiang Prov. Govern. Mi	111 20,000
Nantung	Ta Sen Cotton Mill	20,000
Quenmin	Yunnan Prov. Govern. Mill	5,200
Kiangsi	Kiangsi Prov. Govern. Mil	1 30,000
Shansi	Yungyu Cotton Mill	30,000
Weihsien	<b>\</b>	30,000
Yinkow	Yinkow Cotton Mill	32,000
	TOTAL	1,186,000 spindles

Without the war, these spindles would have been installed and large quantitie of cotton would be consumed in addition

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to the amount of 11,107,000 piculs in 1936.

It must be further pointed out that the estimate of 19,600,000 piculs of cotton was made on August 20. The heavy rain and flood in Hopei, Shantung, Honan and Hupeh provinces after August 20, destroyed at least 2,000,000 piculs of cotton. If everything is quiet and peaceful, the most we can expect is, therefore, 17,000,000 piculs.

If there is no war and if all the mills are operating, China may have sufficient cotton to meet the demands of the mills. China will not have to import cotton from foreign countries. In 1931 China imported over 4,000,000 piculs of cotton from abroadat a cost of over \$200,000,000. We should be gratified that in 1937 China has sufficient cotton to meet her own needs.

In conclusion, it should be said that the policy of the Government to increase the production of cotton in the country in the past few years is correct and sound. Even China has an over supply of cotton, it will be most profitable to export them to foreign countries. America exports cotton to the value of Y500,000,000 to Japan every year while Japan exports Y400,000,000 worth of silk to America. If China can export Y400,000,000 worth of cotton to Japan, it will help tremendously our unfavorable foreign trade.

China does not have an over supply of cotton. It is because of the war and the suspension of operations of the mills that we shall face the problem of lack of demand for cotton. To meet the situation, the Government has organized an Agricultural Readjustment Commission and has appropriated \$30,000,000 to purchase cotton from the farmers. -- Ta Kung Pao, October 31, 1937.

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Department of State letter, August 10, 1972
By Mitt 0. Sustain NARS, Date 12-18-75

### CHINESE PRESS COMMENTS

### 1. ON THE NINE-FOWER CONFERENCE DECLARATION

2:

There are two serious conflicts in the Far East at the present time, says the "Ta Kung Pao" in commenting on the declaration published by the Nine-Power Conference.

Japan is bent on carrying out her Continental policy and Chine is determined to preserve her independence. When Japan China is determined to preserve her independence. When insists on dominating China all by herself and when the European and American countries demand the respect of the Open Door Policy, a serious conflict is bound to occur.

As Japan has embarked on her campaign to carry out her Continental policy and has started to complete her plan for ruling China, peace cannot be maintained unless China is ready to surrender and the European and American countries are ready to withdraw from the Far East. Already the first conflict has been started, as China is not ready to surrender and instead is determined to resist the Japanese aggression by armed force. Whether the second conflict will happen or not, depends on the attitude of American and European countries. attitude of American and European countries.

After the outbreak of the Sino-Japanese War, the League of Nations, continues the paper, condemned Japan as the aggressor. Japan rejected the two invitations extended to her to attend the Brussels Conference. This shows that Japan has definitely violated the Nine-Power Treaty, disregarded the interests of the others Powers in the Far East, and insisted on carrying out her version of the Monroe Doctrine in Asia.

In the declaration of the Nine-Power Conference, we can see clearly the attitude of the Powers toward Japan. The first point of the doclaration says that the Sino-Japanese conflict is not one concerning the two parties only. It is a problem which all the other Powers must face together.

The declaration points out further that Chinese sovereignty and territorial integrity must be respected and that Japan should not use force to solve the Sino-Japanese problem. declaration points out that the other Powers are definitely not in favor of Japan's actions. The third point which the declaration makes clear is that direct negotiation between China and Japan is impossible. It would not solve the Sino-Japanese problem permanently and fairly.

Having made clear these three points, the Powers expected that Japan would send representatives to the Conference to discuss the Sino-Japanese conflict, so as to solve the problem by peaceful means. As Japan has rejected all attempts of the Powers to mediate for a solution, the Powers decided to consider a "common attitude" to be taken by them. To decide on a "common attitude" is therefore the important task of the Nine-Power Conference at the present time.

Declaring that all these points enumerated by the Powers in the declaration are just and sound, the paper continues., the "common attitude" for the Powers to take should not be a diffioult one. The Powers either have to decide to uphold the sanctity of the Nine-Power Treaty thus protecting the territorial and sovereign integrity of China, or to withdraw from the Far East and leave Japan free to dominate Asia.

As Dr. Wellington Koo, China's chief delegate to the Brussels Conference has said: "The deer of compromise has been closed by Japan. Is it not time for the Powers to step economic and material support to Japan? Is it not time for the Powers to assist China both materially and spiritually to hasten the conclusion of the armed-resistance?"

The minimum measure which the Powers must take is to stop the expert of raw materials and ammunition to Japan and extend credits and supply munitions to China. China is fighting the aggressor for the preservation of her independence. Will the Powers refuse to uphold the sanctity of the Nine-Power Treaty?

### 2. CHINESE DAILY LIMITS JAPAN TO ONE-YEAR WAR

Analyzing the Sino-Japaneso situation in a careful, painstaking manner, the "Ta Kung Pao", influential Chinese daily of this city, openly makes the prediction that Japan cannot wage her present war of aggression longer than one year, whereas China is in a position to wage war for a far longer period.

The article continues:

"Being still on the road to imperialism, Japan has not adequately fulfilled the requirements of a modern power. The lines slong which she has been progressing are those of medieval conquest instead of external expansionas the result of intensified industrialization. Japan's agriculture remains on a small scale and hence the bases for her industries are weak.

"Most imperialistic powers get their raw materials from their colonial possessions and sell their finished products abroad as a means of developing their domestic occnomy of industries and agriculture. But this is not so in the case of Japan. Japanose products dumped abroad represent the fruits of so much pinching on Japan's rural occnomy.

"Then Japen's balance of trade has always been an unfavorable one. She sends her raw silk to the United States in exchange for cotton. Then she sends a lien's share of her cotton products to various parts of the British Empire in return for iron, steel, machinery and munitions.

"Japan hates China because China is friendly herself with Great Britain and the United States. In fact, without co-operation from these two countries the economic life of Japan will be strangled.

"Contrary to what she exports to Great Britain and the United States, the things Japan buys from these two countries are absolute necessities.

"Thus, from the American point of view, Japanese raw silk is a luxury. For instance, during the period 1930-1934 when the United States was in the grip of the dopression the price of raw silk dropped so low that Japanese peasants were at once affected.

"But American cotton for Japanese Textile industries are indispensable. While Japan sends 85 per cont of her raw silk to

America, the amount of cotton which the United States sells to Japan represents only 18 per cent of her annual output. This unequal flow of trace proves how much Japan depends on the United States.

"If the American-Japanese trace should one day cease; all the American people will have to forego is a bit of their luxuries, while Japan's losses will be so immense as to endanger her economic well-being.

"In the case of the British-Japanese trade, Great Britain herself is a great producer of textile goods. While Japan, by taking advantage of her low cost of production, geographic nearness and transportation facilities, has been able to dump her goods in British possession, she has been doing it at the cost of bringing about a trade war with her former ally.

"Even in time of poace, the basis of Japanese economic life is a frail one. Now she is carrying on hostilities on a large scale in China, which require tramendous expenditures. Aside from drawing on the reserves in her treasury, Japan depends on inflation, increased taxation and the flotation of more government bonds as the main sources whereby money can be had to finance the war.

"During the early steges of inflation, the Japanese peasants may reap the benefits of higher commodity prices. But pushed too far, inflation will result in reducing the capital of the propertied classes. Besides, if the commodity prices should continue to sky-rocket and spreed to cover the entire consuming group, but even the peasants cannot escape the aftermath.

"To increase taxes and float bonds will also have the effect of increasing financial difficulties.

"A certain British correspondent, just back from Japan, told his friends: Up to the present China is already victorious." This statement was obviously made with Japan's financial and economic conditions in view. It is his conviction that Japan cannot hold out for more than a year. His conclusion, we believe, is well-grounded.

"Is it possible that the international situation will never be changed? Four months' wer has already aroused the entire world. The sympathies of the everwhelming majority of the nations are on China's side. The League of Nations has already voiced its condemnation of Japan.

"The Brussals Conference is still in session. The other day following Japan's rejection of a second invitation to participate in the conference, the delegates of different rations in their speeches insisted on the observance of international law, the infeasibility of direct negatiations between China and Japan and the inviclability of China's territorical integrity.

"However, we take strong exception to the view that 'while changes are not impossible they must not be brought about by force of arms." That the territorial integrity of a nation must be respected is an unimpeachable principle of international law. International justice must not be thrown overboard.

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"Generally speaking," the paper preceeds, "most nations realize the dangerous nature of Japan's aggression in China. They also feel that international commitments must never be violated at will and that the system of collective security must be preserved. The world's sense of rightcousness and justice, it must be said, has been awakened but concrete actions are still wanting.

"According to American papers, London is disappointed at Soviet Russia because the latter, it is alleged, has not done enough to back up the loyalists' regime in Spain and has failed to adopt a positive attitude vis-a-vis the Sino-Japanose conflict. Comparatively speaking, the United States is reasonably positive. At the same time we hope that Great Britain will also become more positive in this connection.

"Mr. Trojanovsky, Soviet Ambassador to the United States, seid! Each is expecting the other to assume the leadership." This shows that most of the Powers concerned are still hositating.

"However, this state of affairs cannot last indefinitely. Soviet Russia might be negative now, but hen the crisis comes making it absolutely necessary for her to act nothing can prevent her from so doing. In U.S.S.R.2s calculation, a war with Japan is invovitable and from Japan's point of view Russia affords the greatest military menace.

"If Great Britain and the United States should decide to act, they need not fight. All they have to do is to apply economic sanctions against Japan. These alone will deal a death blow to Japan.

"In other words, when Japan is exhausted in China Russia will surely threaten Japan with force. Then if Japan should shut the door of peace, economic sanctions from Great Britain and the United States may be expected at any time.

"Can China wage a long-drawn-cut, war? The answer is in the affirmative." the journal says. "It goes without saying that Japan is strong and China weak. But Japan has potential enemies all over the world and her fighting ability at the best is limited. The past three months' hestilities have already proved that Japan is not fit to be called a first-class military power.

"Yes, China is a week nation. Never for a moment did we believe ourselves strong enough to challenge Japan. We fight only when we have been driven to the well. To preserve our national existence, we are ready to pay any sacrifices. Whatever Japan may accomplish in the early stages of the hostilities will not decide the final outcome.

"A look at our fighting strength is in order. As to the supply of man power, it does not constitute any problem at all. Kwangsi alone has 2,000,000 trained men. With Hunan and a part of Szechwan thrown in 5,000,000 men can be trained and sent to the front lines within six months.

"Financially speaking, the amount of money centralized in Government banks alone will be sufficient for one year. This represents of fighting strength of China's legal tender system. The Chinese people are known to have hearded about half of the nation's white metal. Whenever necessary, this can be called for. Besides, the

Chinese people are accustomed to a low standard of living. Any suffering as a result of the prosecution of the war is nothing.

"Speaking of the technique of the Chinese soldiers, the past three months' fighting has revealed that both in training and in caliber the Chinese soldiers compare favorably with their opponents. The experience they have gained both here and in North China will be turned into good account in future operations.

"Regarding the supply of munitions, it is true that China depends on other nations. But with the world's sympathies on our side, if no economic sanctions are applied against Japan, so long as Japan fails to enforce an effective blockade of China, the inflow of munitions supply will not cease.

"With the above-mentioned factors in view," the paper concludes that "China can hold out for another year at least. General Matsui told foreign correspondents the other day that it would take two months to reach Soochow. Then to reach Nanking will at least require four months in addition. At this rate, there is enough room in China for a war which can drag well into a number of years.

"Unless the Chinese people are willing to become Japanese slaves, then the only course open to them is to continue resistance. The future," the Ta Kung Pao says, "is a bright one. We must endure all kinds of hardships and we must face all sacrifices with courage in order to insure China's final victory."

### 3. JAPAN PAYING HEAVILY FOR INVASION OF CHINA

The undeclared war between China and Japan is taking a terrific monetary toll in Japan, a loss, according to the influential Sin Wan Pao, leading Chinese daily newspaper of Shanghai, from which it will take the Japanese nation many generations to recover.

Neutral observers who have made a close study of the Sino-Japanese situation, says the Sin Wan Pao, advance two estimates in connection with the military expenditures of Japan in the present hostilities. One estimate places the total military expenditure in the neighborhood of Yen 12,000,000,000, and the other at Yenlo, -000,000 per day.

The Sin Wan Pao further says:

"The Japanese Government has taking definite actions and has making serious efforts to raise the military funds. From the amount of money which Japan has raised and will raise, we may come to the conclusion that the total military expenditure of the Japanese military operations in China for one year is about Y3,600,000,000 rather than Y12,000,000,000. The Japanese Government issued for the first time bonds to the amount of Y96,000,000. The second attempt was made in the increase of taxes to the estimated amount of Y102,000,000 and the issuance of another bond of Y308,000,000. The third action was the issuance of another bond of Y2,000,000,000, of which Y200,000,000 will be issued on the first period ending on November 30. In December bonds of Y500,000,000 will be issued and taxes to the amount of Y102,000,000 will be raised, of which Y36,000,000 will be collected in 1938.

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"Although the total military expenses of Japan for one year will be Y3,600,000,000, it is about four times that of the expenses spent by Japan during the Russo-Japanese war, which lasted for one year and eight months."

Japan's losses in man power, the Sin Wan Pao states, have been heavy. According to Japanese military authorities, the paper asserts, 3046 J apanese soldiers were killed in Shanghai from August 23 to October 10, and 9617 soldiers wounded during the same period. The Japanese naval authorities, says the Sin Wen Pao, declared that the number of Japanese bluejackets killed and wounded during the same period totalled 1133.

"Hence the number of Japanese soldiers killed every day in the Shanghai area aggregates 258 per day, and with the number of wounded three times that figure", continues the Chinese newspaper.

"According to another Japanese official report, the number of Japanese soldiers killed in Shanghai ending October 24 was 5,713. No mention was made regarding the number of wounded. If the number of wounded is three times that of the number killed, the number of wounded in Shanghai by the end of October 24 must be 15,500. Including the number of the Japanese bluejackets killed and wounded, the total Japanese soldiers killed and wounded by the end of October 24 would be 21,800. No report has so far been issued by the Japanese authorities regarding the number of men killed and wounded from October 25 to November 8. If the same ratio is applied, then another 3,800 Japanese soldiers must be killed and wounded. Therefore the total number of men killed and wounded in Shanghai from August 13 to November 8 is 26,000.

"It must be mentioned that these figures are based on Japanese official reports, which foreign observers assert are far less than the actual number of men killed and wounded.

"As to the number of Japanese soldiers killed and wounded in North China, it is difficult to estimate as few reports have been received from Japanese official sources. The Japanese official report on October 25 declared that 5,173 Japanese soldiers were killed in Shanghei and 4,467 killed in North China. Based on the ratio of 5 to 4, the number of Japanese troops killed and wounded in North China must in reality be 21,000. The total number of Japanese killed and wounded both in North China and Shanghai is therefore 47,000 in a period of four months. If the war drags on for one year, the number of Japanese killed and wounded will be from 140,—000 to 150,000 men, which will be one and half times more than the Japanese soldiers killed and wounded during the Russo-Japanese war of one year and eight menths.

"If we can carry on our armed-resistance, before long Japan will find it impossible to fight."

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Department of State letter, August 10, 1972
By Mitty D. Sustain NARS, Date 12-18-15

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# CHINESE OPINIONS ON CURRENT EVENTS

(TRANSLATED FROM CHINESE PERIODICALS)

Proprietor and Editor: Fang Fu-an

TER DIVISION OF

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# GENERAL CHIANG KAI-SHEK MAKES STIRRING APPEAL TO CONTINUE RESISTANCE

A stirring appeal to the nation to continue the campaign of resistance to the bitter end was made by General Chiang Kaishek, in a radio broadcast from the front, December 16.

Following is a full translation of the appeal:

"Since the commencement of the present campaign of resistance, the casualties in wounded and killed among the officers and soldiers at the front have already totalled more than 300,000. The losses in civilian lives and properties are incalculable. Such heavy sacrifice in resisting foreign invasion has rarely been seen in the history of our country. As Commander—in—Chief, I assume full responsibility for this huge sacrifice suffered by the State and the people —— a responsibility which cannot be evaded. My anguish is indeed a hundred times greater than that of the war dead, both soldiers and civilians. So long as breath is still in me, I will exert my utmost to continue the resistance to the bitter end with a view to attaining the ultimate victory for the nation so as to fulfil the expectations of the Party and the State and bring comfort to my compatriots.

In invading China, there were two courses open to the enemy, to swallow Chinese territory like a whale and to nibble at our territory slowly like a silk-worm. By force and violence, they have now occupied Nanking. Henceforth, they will be even more ruthless in order to realize their ambition of conquering the whole of China. That they have now adopted the policy of swallowing our country instead of nibbling at it slowly, is already proved by facts.

So far as China is concerned, we are not afraid of being swallowed but of being nibbled off, because by the latter method the enemy may dismember us gradually without our being aware of it. In the face of the present grave emergency, we must not look backwards, but should make our plans for the campaign of resistance with a view to attaining the final victory. The situation today may be said to be favorable to us. Since we are determined to prolong the resistance, the basis for a decisive victory will not be in Nanking or any of the large cities, but in the rural districts throughout the country and the scope and strength of the people's determination. In view of the danger of being swallowed up, all fathers should urge their sons, and all elder brothers should urge their younger brothers, to make adequate preparations for resisting the enemy, so that fortification after fortification will be built up throughout the 40 million square 11 of territory to deal a death-blow to the enemy. Under present circumstances, therefore, my compatriots throughout the country should not be concerned over temporary gains or reverses, but should understand the idea of resistance to the bitter end and have confidence in ultimate victory. I have to draw the attention of my compatriots to the following points:

(1) The present campaign of resistance is an indispensable transition in the National Revolution. In order to seek external independence and internal existence. emancipate the

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entire people, and consummate the reconstruction of a new country, China cannot avoid this difficult struggle. The resistance against Japan is, therefore, a struggle between the San Min Chu-I (Three People's Principles) and Chauvinist Imperialism. It is a struggle between the aggressed and the aggressor, with the former fighting for their independence. It is vastly different from ordinary wars between equal nations. Therefore, at the outset of the campaign of resistance, we did not overlook the fact that our arms and equipment are far inferior to those of others, but we knew that our Revolutionary spirit is far superior to theirs. History reveals that the lofty task of Revolutionary national reconstruction cannot be achieved in one day. The greater the obstacles overcome, the greater the success achieved. We must therefore depend on our unyielding Revoutionary spirit and make greater efforts with each new humiliation. In this manner, the day our obstacles are overcome, that day shall victory be finally attained.

In invading China today, the chief aim of the enemy is obviously not only to occupy our territory, slaughter our people, and wipe out civilization, but also to obliterate the San Min Chu-I (Three People's Principles) and our Revolutionary spirit. But so long as our Revolutionary spirit remains, so long will the nation continue to exist. Besides, the reverses we now suffer are not yet unbearable. If we should surrender at the present moment, then once our spirit breaks down, the nation will perish, and the humiliation of slavery will be a hundred times more unbearable. The people throughout the country should remember that no country which seeks to remove oppression and consummate the Revolution, can succeed at a small cost. If we suffer a little more now, our success will be greater in the future. For the welfare of the state and posterity, we must not hositate however great the sacrifice and suffering. Herein lies the meaning of resistance to the bitter end.

(2) Since it is clear that the campaign of resistance is a stage in the programme of the Revolution, then, no matter what turn the present situation may take, we should only advance and should never surrender in the middle of our programme. For, although resistance will not necessarily end in victory, surrender will morely hasten our destruction.

Rather than surrender and perish, we would sooner resist and be defeated. Though we may suffer defeat, we may still transform defeat into victory, whereas if we perish as an independent State, there will be no hope or regeneration. Once the integral independence of the State is dismembered by the enemy, there will be no retrieval. Moreover, success or failure in war depends on the degree of activity or passivity of the belligerents. Five months have clapsed since the beginning of the resistance. At first, the enemy planned to subdue us without a fight. We have consistently resisted without surrendering, and so long as we do not surrender, the enemy cannot attain its objective. As the enemy advance further inland, the enemy will become more passive than ever. If the enemy are determined to occupy our 40 million square li of territory and subdue our 400 million people, how much military strength will be required. If our compatriots throughout the country can unyieldingly and

continuously offer strong resistance at all times and places, the time will come when the strongth of the enemy will be exhausted; ultimate victory will then certainly be ours. That is why we must be determined to resist to the bitter end and have confidence in ultimate victory.

(3) The Japanese invasion of China is in fact the beginning of Japan's invasion of the world. At the very outset of the hostilities, China pointed out two significant asports of the resistance. We are fighting not only for the preservation of our national independence and existence but also for the maintenance of international peace and justice. In the course of the past few months, though international sanctions have not yet been fully applied against the aggressor, the rights and wrongs of the case have been made manifestly clear to the world. In fulfilling this important mission, we are naturally not concerned about the future of the international situation. We must do our best without depending on external assistance. But so long as international justice continues to exist, the day will come when we shall attain our objective. Our responsibility being great, we must not be negligent. This should be borne in mind by our compatriots throughout the country.

Entrusted by the Party and the State with the heavy responsibility, I shall go forward but never surrender. At the present juncture when the fate of the country is hanging in the balance, let this message give courage to my compatriots."

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Department of State letter, August 10, 1972
By Mitty 0. Sustafam NARS, Date 12-18-75

THE SO-CALLED KIANGSU-CHEKIANG FINANCIAL MAGNATES

By Wei Yu-fei

The Japanese who have made a special study of things Chinese always give their special subject a territorial designation. They give to the north-eastern provinces, for instance, the designation "Manchuria." To another group of Chinese provinces they give the designation "North China."

In their research into China's financial structure, the Japanese have also coined the expression "the Kiangsu-Chekiang financial magnates," as well as the "Szechwan financial magnates," etc., -- classifications in accordance with provincial names. Japanese reporters also have accustomed themselves to declaring that "the Kiangsu-Chekiang financial magnates have said so-and-so," or "the Szechwan financial magnates have said so-and-so." The Japanese are especially fond of using the terms "Chekiang financial magnates" and "Kiangsu financial magnates. But, both in regard to theory and practice, such terms have been erroneously conceived. Though these are rather insignificant matters, it is evident that the Japanese analyses are not securely based. This arises from the fact that the Japanese observations are based upon a misunderstanding of China.

In their analyses of the groupings of the "Chekiang-Kiangsu financial magnates," and of the source of China's financial strength, the Japanese have worked from the following evidences:

- 1) The main prop of the Chinese financial structure centers around the financial resources of the Chinese compradores and Chinese officialdom; the Japanese emphasize that this special feature of China's financial structure still persists. They point to the fact that the lineal descendants of the compradores continue to be compradores, and are also shareholders in several banking houses, insurance companies, and steamship companies. Also, a large number of compradores at the same time hold important positions in industrial and commercial houses. These compradores are natives of Tungtingshen in Kiangsu, or of Ningpo. The Japanese also point to the fact that most of the capital held by Chinese banking houses consists largely of the private wealth of Chinese militarists, and that the banks' holdings generally are formed by the combining of "compradore" with "militarist" capital. The influence of the Chekiang and Kiangsu provincials is also predominant in such banking houses.
- 2) The Japanese also say that the characteristics of cartels are evident in the influence exercised by Chinese capitalists, and that the influence exercised by them through their public associations, guilds, etc., is paramount. They point to the fact that in Shanghai in particular, Chinese financial interests are divided into several groups, such as the

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By Mitty 0, dustain NARS, Date /2-18-75

"Shantung group, - the "Tientsin group", the "Huining group," the "Kiangsi group," the "Szechwan group," the Kiangsu group," the "Wusih group," the "Kianghwa group," the "Chienkiang group," the "Shaoshing group," the "Ningpo group," the "Fukien group," the "Canton group," etc., The Japanese have said that the "Ningpo group" and the "Canton group" occupy the more important positions, over all the other groupings. These provincial groupings are again represented by their own provincial guilds and their particular trade guilds. Also, during the period of existence of the "Shanghai Commercial Association" and the "Shanghai Commercial Headquarters", commercial arbitration, commercial registration, and protection were the principal functions discharged. The officers in the two commercial associations were either natives of Kiangsu or natives of Chekiang.

- 3) Present-day Chinese capitalistic finance has sprung from the "native" banks; but the "native" banks are again "compradore" financial interests, appearing in another form. Shanghai's "native" bankers are made up largely of Chekiang and Kiangsu natives.
- 4) In the course of the past hundred years, modern bank depital has developed from the "native" bank holdings; with that growth, the "native" bankers have become modern bankers, that is, they are mostly Chekiang and Kiangsu financiers. For that reason, the Chekiang-Kiangsu financiers occupy a predominant position in Chinese banking circles. In the "Who's Who" compiled by the Central Bank of China, are listed all the well-known bankers in China; of these 46.5% are Chekiang financiers and 31.4% are Kiangsu financiers, thus proving the important place which the Kiangsu-Chekiang financiers occupy in China's banking circles.
- 5) It is further declared by the Japanese that the Kiangsu and Chekiang financiers occupy an important position in the Chinese Government. It has been said that they subscribe to more than 90% of the bonds issued by the Chinese Government, and that they have contributed the greater part, of Chinese Government loans. From this has been drawn the conclusion that the existence of the Chinese Government is inseparably bound up with the government's relationship to the Chekiang-Kiangsu financiers. From this is also deduced that the Chekiang-Kiangsu financiers exercise direct control over the Chinese Government.

The Japanese, drawing their conclusions from the above five statements of fact, feel quite positive about the existence of the "Chekiang-Kiangsu financial magnates." They have also made comparisons between the "Chekiang-Kiangsu financial magnatos" and the other financial groups, as to the influence the one wields over the other and as to how the dominant financial group is related to political changes.

Although we do not deny the influence of financial interests over politics, we do deny, however, that there are financial magnates in China. We further deny the existence of the "Chekiang-Kiangsu financial magnates," the "Szechwan financial magnates," etc.

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In order to understand the analyses of such facts, it is necessary to adduce from the facts of China's economic development during the past hundred years. We admit that Chekiang, Szechwan, and Cantonese people occupy an important place in China's financial circles, but by no means can they be spoken of as financial magnates, nor can we, when discussing this subject, link it up with political questions.

What the Japanese have really pointed out is that the Chokiang and Kiangsu people have occupied an important place in the history of China's economic development; but to exceed such a statement of fact would be quite without meaning.

But why have the Chekiang and Kiangsu people occupying an important place in China's financial circles been mistakenly regarded as financial magnates?

We must know that China's economic transformation from the old to the new dates back to the period following the signature of the Treaty of Nanking, which threw open a number of treaty ports to international trade and commerce. The treaty ports, as such, have become the clearing houses of culture between East and West, and the centers of economic activities. The influx of now ideas, new commercial goods, and now forms of economic organization began gradually to "westermise" the old social and economic structures of the treaty ports. The treaty ports were the first to come into contact with all that typified the West. Chinese merchants, too, were beginning to adapt themselves to their new role as "contact men," and to organize import and export firms. The accumulated profits of the Chinese merchants have since formed what is now generally known as "compradore" capital, which has come to constitute the greater portion of present-day foreign-style Chinese banks.

Shanghai, Canton, Foochow, Amoy and Ningpo are among the treaty ports stipulated in the Treaty of Nanking, Being more favorably located than any of the other treaty ports, Shanghai enjoys far the greater volume of trade, both by land and by water, and it is for this reason that greater accumulation of wealth has been made possible at this treaty port. Hence a number of financiers have been brought into existence, and these are precisely the Chinese financiers who have been mistaken for "financial magnates." It also follows that the natives of Amoy, Canton, Ningpo, Foochow and Shanghai, for the same reason, have been the first to become financiers, having been the first to come into contact with the changed conditions. And by reason of the fact that Shanghai is more important than any of the other treaty ports, the Chekiang and Kiangsu financiers also occupy a more important position than either the Cantonese or Amoy financiers. This, then, is the reason why the Japanese have said that the Chekiang and Kiangsu financiers are more important than the Cantonese or Fukienese financiers.

Ohina, in fact, had her financiers long before the poriod now spoken of. The fact is that the lack of communication facilities has very much circumscribed the influence of the financiers in one particular province in regard to other areas. Also, it is because such financiers, under the conditions imposed by the old social order, could not hope to extend their influence over a wider area. For that reason, even the famous "Shansi financial magnates" have been steadily on the wane. Thereafter, the new groups of financiers have been concentrated in the centers of communications, by land or water. The rise of new groups of financiers followed upon the development of the new economic order which has displaced the old economic organization of China. The "native banks have given place to the modern-style banks, and the "native bankers now function as modern bankers. And it is not so much the fact that "new" groups of financial magnates have eliminated the "old" groups of financials magnates have forced the "Shansi financial magnates" out of power, as the fact that the natural economic development of the past hundred years has brought about such changes, rather unconsciously.

We have tried to show in the above the reasons why the Chekiang and Kiangsu groups of financiers have occupied such an important place in China's financial structure, and for what reasons other groups of financiers have been steadily on the wane. It remains to point out that the so-called "Ohekiang-Kiangsu financial magnates" are not in a position to dictate with regard to China's national finance.

Though statistics show that the leading Chinese financiers are mostly Chekiang and Kiangsu financiers, and that they embrace the greater parts of the capital in present-day Chinese banks, we must not overlook who really is able to diotate regarding China's capital-finance.

Those who are able to dictate regarding Ghina's national finance are not the Chekiang-Kiangsu financiers, nor the Cantonese nor Fukienese financiers. They are the Chinese Government banks, -- the Central Bank of China, the Bank of China, and the Bank of Communications. For instance, up till the end of 1936 the capital holdings of a total of 110 Chinese banks were \$3,400,000,000, of which the three government banks had between them a total of \$2,100,000,000. Then, in the matter of the bank-note issue and the stabilization of foreign exchange the three Government banks play a most important role, a role that no group of financial magnates has ever been able to assume. It is evident that all the national financial syndicates are subject to the leadership of the three Government banks.

In the Government banks, again, the Chekiang and Kiangsu financiers probably occupy most of the important positions, but it would be incorrect to say that the Chekiang and Kiangsu financiers, for that reason, dominate China's national finance. It would be more correct to say that they are directing it under Chinese Government control. And why is this so? It is because the Chekiang and Kiangsu people, by the facts of geography and historical development, have become important as financiers. The descendants of the Chekiang and Kiangsu financiers have followed in the footsteps of their forefathers, and more and more Chekiang and Kiangsu people have engaged in industrial and financial activities.

It might satirically be said that the fact that for generations past the boatmen; of Tungyen have been boatmen, does not necessarily imply that the Tungyen boatmen have come to dominate China's waterway communications.

It would be correct, however, to say that the Chekiang and Kiangsu people have occupied a comparatively important place in the economic and political life of the nation. That this has been true is due to the fact that economically they were the first to receive Western baptism, so to speak, and not to the fact of their having become financiers. Not only are there no "financial magnates" to speak of in Chekiang and Kiangsu, but down to the present the term "financial magnate" has not yet gained currency throughout China.

The Japanese have pointed out that the historical development of the "financial magnates" has proceeded along two courses:
(a) that the early development of capitalist production brought into being a geographical capitalist concentration; and (b) that by the process of capitalistic accumulation during the stages of capitalist development, "financial magnates" were brought into being.

We all know that the so-called "financial magnates" or "wizards" are the result of capitalist development to its highest point, which then introduces the characteristics of monopoly capital. That is, such a monopoly has extended to industrial capital, and linked up with the monopolistis control of a network of national and subsidiary industrial enterprises throughout the country. The well-known Japanese financial houses of the Mitsubishi, Mitsui and others belong to this category of "financial magnates."

When this definition of "financial magnates" is being applied to China, we find that the analysis made by the Japanese is not consistent with the conditions in China. Undoubtedly, China is passing through thet ransitional period to capitalistic development, but there are lacking in China the necessary conditions which make capitalistic monopoly possible. Although there are a number of Chinese banks which control a number of subsidiary companies, such as insurance companies and commercial firms, these banks are far from manifesting all the characteristics of capitalist monopoly. In short, up to the present there does not exist in China any capitalist group, which has been able to dominate the nation's economic life, outside of Chinese government control.

Heretofore Chinese business men have had very little to do directly with Chinese politics. They have subscribed to Chinese Government loans, and in appearance they seem to be meddling with Chinese politics, but in actual fact, and from the business men's standpoint, their investing in Chinese government bonds, etc., is purely a business transaction. Chinese business men in former years subscribed to interest-bearing political loans (bearing loss than 10% interests) but after the collapse of the government in power such loans became bad debts. It is clear that Chinese business men invasting in government bonds never harbored any political ambitions whatsoever, for such loans have been regarded as

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as profit-bearing business investments, and hence were very much unlike loans raised by foreign governments and subscribed to by foreign financiers with political ends in view. Chinese business men subscribing to Chinese Government bonds are totally devoid of any political aims.

In any analysis of China's economic conditions, the peculiar nature of China's economic structure should not be lost sight of. We all know that China's economic life still partakes of all the features of a semi-colony. From this we can deduce the fact that it is not the Chinese "financial magnates," but international capitalist finance, which dominates China's economic life. Economic conditions in China are such as to make the growth of Chinese "financial magnates" quite impossible -- "Kuo Wen Weekly" Vol. 14, No. 47.

#### RESISTANCE AND RECOVERY

### By Chih Chen

During the past few months everyone's attention has been During the past few months everyone's attention has been centered upon the military situation, to the total neglect of another problem fully worthy of our attention. We believe that the present war of resistance will continue for a long period, but there will come a time when the military situation will be settled. After that, what are we going to do? We must give due consideration to this problem and be prepared to meet it, so that when hostilities cease we shall not find ourselves in general confusion.

From the present war two important lessons have been learned. First, not only military preparedness is required, but also preparedness in political, economic, and educational organization, and the coordination of these latter with the military side of the problem. Second, national and individual interests are inseparable; when national freedom is lost, private interests and enterprises are lost with it, or become uncertain as shifting send. uncertain as shifting sand.

The war situation, as it has developed down to the present time, has given rise to a state of affairs for which the time, has given rise to a state of affairs for which the entire Chinese people are to blame. The coastal blockade by the enemy during the past three and a half months has caused us to feel keenly our lack of a naval force; the domination of areas in the South and North -- particularly the air -- by the enemy has shown our lack of defense artillery and tanks. More than that, however, our undeniable political weakness, our extravagant and disorganized social conditions, our attempts to gain by diplomacy the friendship of foreign Powers and to depend upon others, and all kinds of other matters regarding which agitation could be easily aroused at ordinary times, have made us feel the inadequacy of our ordinary times, have made us feel the inadequacy of our proparation.

We must not give way to pessimism, and must maintain our firm faith in final victory. It is necessary, however, to review in retrospect all that we have done, intentionally or un-wittingly, for our country, and henceforth we must exert our-selves with the full determination to work for revival.

It is now six years since the "Manchurian Incident." What have we done, aside from our daily talk of avenging our national humiliation, and of national salvation? For the past several years, of course, the country has been engaged in internal wars for which the militarists must bear the responsibility, but national strength lies not only in military or political affairs. We have been talking about the promotion of our industries, but where has a foundation been laid for our light and heavy industries? We have spent great laid for our light and heavy industries? sums for the promotion of education and for the sending of students abroad, but have we made any independent place for ourselves whatsoever in the world, with regard to science and other technical achievements? During the past few years the

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government has undeniably embarked upon plans for the fostering of Chinese industry and commerce, and the establishment and extension of scientific institutions, but what actual contributions have been made to the country?

In regard to publications, a great quantity of writings dealing with political theories, disseminating knowledge of the world, and similar writings seeking to impart knowledge to the common people, have been of direct offect in stirring up the youth of the country, and have indirectly affected the State. Is it not high time that we should regret this having been done?

During the past few years, in what way has the "national emergency mode of living" benefited the country? Political cliques and parties have bound themselves together to carry on conflicts one with another, for their selfish ends and for the extension of their influence. The propertied class has centered upon the accumulation of wealth and the keeping up of a showy front, devoted volely to the comfort and pleasure of their own families. Public bodies, and people belonging to other social strata -- how many of these really concerned themselves with the crisis towards which the country has been heading, and exerted themselves in their various occupations so as to make their contribution to the country?

The present time, however, allows us a breathing spell no longer. The war which has been fought during the past four months has brought suffering to all of us. Unemployment, the aimless wandering of the homeless, death, rising prices, and other dangers and crises are pressing upon us. The moreiless fires have destroyed our homes, factories, and other property. Those who have sought shelter in the foreign settlements now feel that even those areas are not a safe refuge; those who have deposits in the banks cannot withdraw thom; those who have fled to foreign countries have become like wandering Jows. We should realize that in this twontieth century, when competition has become very keen, individuals find themselves lost when their country is lost. All individual interests must be built upon national foundations, or they will be swept away by the tides of time.

But we are not to be pessimistic; we are to strongthen our faith. We can no longer think about individual interests; we must exert our utmost for our country, and do our level best to maintain ourselves until the dawn approaches.

For a race to survive, and for a country to become independent, it is only necessary to strengthen our faith, and such a faith cannot be destroyed by any force. Every pressure brought to bear upon us can only produce a corresponding resistence, and strengthen our faith in the present struggle. Germany after the World War, Soviet Russia after the Russian Revolution, are examples of this. They underwent great adversity, and their struggles differed in the time element, but they ultimately realized their objectives of national liberation and independence.

In such a national struggle, however, the pre-requisite is that each one of us concentrate his strength, and move in concert. We should all decide upon a common way in our struggle, so that all our efforts will converge at one common point.

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To decide on such a common way, it is first necessary to understand the world situation. For a nation to become independent it is necessary that it should found itself upon industrialism. Germany's recovery, in spite of the crushing blow dealt by the Versailles Treaty, has been made possible by the fact that in the pre-War years her economy was based upon an industrial foundation. Another example is Soviet Russia, which bent its efforts upon the promotion of its heavy industries.

The significance of the Meiji Restoration in Japan lies in Japanese feudalism having been everthrown among the events which followed Commodore Perry's visit and the bringing of military pressure upon Japan. Following this, Japan began to lay the foundation for its indus ries. After the Sino-Japanese and Russo-Japanese Wars, the foundation of both light and heavy industries in Japan were laid. Those industries enjoyed a period of further development during the World War, and came to assume a paramount position in the Far East, until their present full expansion caused them to seek world markets and to grow to their present strength.

Chinoso domands for the industrialization of China were much carlier than those of Japan. After the cessation of the Taiping Rebellion, Tseng Kue-fan, Li Hung-chang and others busied themselves with the application of the fruits of Western science, but they were unfortunately attracted by the might of western military prowess and did not concern themselves with the promotion of Western science. Their outlook was primarily utilitarian; they neglected the promotion of Western science in favor of its utilization. They insisted upon the promotion of Chinose classical learnings of paramount importance, and subordinated Western learning to it. Their interest in Western science was mainly utilitarian, and in no way creative. Such an insistence has continued into the present century, and has affected, misguided, and misdirected the offerts made to promote education in China.

The years following the Washington Conference in 1922 provided a good opportunity for the building up of China's system of national defense, and for the laying down of a foundation for China's industries. But the following years saw our national man-power and energies wasted in internal wars and conflicts.

Recent decades have witnessed a number of agricultural countires being converted into colonial possessions. The reason we are still able to maintain our national independence is not because of our strength in preventing encreachment by others upon our national independence, but rather to the "Open Boor" Policy, which has made possible the free participation of all interested Powers in maintaining markets for themselves here; such a system has prevented the dismemberment of China.

Ohina, however, is now in process of being dismembered, and we must, before we are really partitioned, hasten to lay a foundation for our national industries and become a modern nation, so that we shall thereby qualify ourselves to maintain a foothold in the comity of nations. Not until then can we become a real member of the family of nations. Not until then can we really think of our private interests.

The present war has destroyed a vast quantity of our property and our wealth. Both Wusih and Shanghai have witnessed the destruction of a great number of factories. The wealth of Chekiang and Kiangsu has in large part been destroyed. But we need not be depressed and disheartened. Only if we are determined, can we some day see the light of day again. The war has brought destruction to the old, but has at the same time produced a new revival. Let the old, the irrational system of organization be destroyed. Upon the ruins we shall build our new foundation.

The World War brought total destruction to the factories of Imperial Russia; but this also brought forth the modern foundation of the industries of Soviet Russia. Japan's embarkation upon the Russo-Japanese War was imbued with the elements of adventure, but it enabled Japan to lay the foundations for her heavy industries.

War provides an opportunity for the development of science. It was during Napoleon's expedition against Russia that the process of foodcaming was invented. The World War hastened the invention of wireless communication, and for the first time brought aviation into use. The present war really provides us with an opportunity of catching up with the times.

The need for training up a technical or scientific personnel is imperative in the development of national industries. For several years past we have abtempted to promote science, and we have also sent a number of students abroad for advanced studies. Up to now, however, so far as the application of science is concerned, not only we have produced not one inventor, but all our important reconstruction projects still depend largely upon foreign technical experts for their execution. This is a really shameful state of affairs.

We must henceforth redouble our efforts. In the course of the present war, much of our secret defense works, not easy of detection, have been revealed to the enemy, enabling them to destroy these works. We are compelled, therefore, to have grave suspicion towards the foreign technical personnel which helped us in the erection of these defense works. From now on, in the immediate future at least, we must continue to rely upon foreign technical men to assist us in certain of the more important projects. But we must at least try to develop a technical personnel of our own to replace the foreign technical personnel in times to come. We, like Soviet Russia, must try to hasten the training of a technical personnel which will devote itself to the task of national reconstruction, for which we cannot depend upon foreign personnel.

For the above reasons, the writer offers the following:

1) Henceforth, all our prepartied classes, and those in political circles who are responsible for national reconstruction, should realize that our national defense should be given precedence over all other aspects of reconstruction projects. To that end, they must invest all that they have in the building up of the country's light and heavy industries. All individual efforts should be merged so as to become a source of national strength. We need not be

disheartened over what has been destroyed; we must get rid of the former system of irrational organization, and all extravagant and wasteful modes of production.

The government must also undertake reforms in its system of taxation. Owing to the incidence of taxation, our industries have been concentrated in a few special centers. The different types of industry should henceforth be established in such localities as are most convenient, and nearest to the sources of raw materials.

We must understand that the interests of the capitalists are inseparable from those of the country as a whole. The Japanese have often said that the strength of the National Government lies in the support given it by the Kiangsu-Chekiang Chinese financiers. We will not say whether or not the Japanese are correct, but in actual fact an industrialized country cannot do without the support of the capitalists.

We hope that the Chinese capitalists will continue to render support to the government. We also hope that the Chinese capitalists will not, as previously, waste their financial strength in mere speculation. When the foundation of the nation has been consolidated, individual enterprises and individual wealth will also enjoy development. The reason why the Mitsui Bank now controls one-ninth of Japan's entire national financial resources, and the greater portion of Japan's national industries, whereas it started with a capital of only some tens of thousands, is because its pioneers a hundred years ago had foresight, and contributed much to the support of their government. Though they nearly involved themselves in bankruptcy, they were finally able to lay the foundations for the Mitsui "banking kingdom."

The Mitsubishi Bank started out with smaller capital, and its histroy is also comparatively short. But the pioneer of this bank at one time put all his steamships at the disposal of the Japanese Government during a war period, as a result of which this company now monopolizes the country's steamship communications. During both the Sino-Japanese and Russo-Japanese wars the company placedits steamers at the disposal of the Japanese Government, and thanks to this the company has grown to its present position. From the above it will be seen that the interests of the individual and of the country are inseparable.

Though our financial resources are at present insufficient, there are however a number of capitalists whose financial status is comparable to that of the Mitsubishi and Mitsui bankers of the earlier period.

We hope that competent quarters in the Chinese Government will follow the example of the Japanese Government of the period; and assume the leadership in directing the development of the country's industries along rational lines so as to bring about their recovery.

2) We hope that those who are charged with the responsibility of promoting education will center attention upon the development of practical science. After the Manchurian events of

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1931, the Ministry of Education made efforts to develop enginedring, technological, and other sciences in all colleges and universities, and at the same time attempted to limit the number of students studying pure arts and the social sciences. This, of course, was a quite rational step, but it was not enough. From now on it is necessary to encourage the teaching of general science even to students of the social sciences, while every possible step should be taken to improve scientific development, and the greater part of the budgets of colleges and universities should be diverted to the installation of scientific equipment. Also, tests to determine the merits of college and university teachers should be enforced and adhered to. Institutions for specialized courses should also be established in various parts of the country as demands for them arise, to be determined by local conditions. Such institutions will help to train up the country's personnel for reconstruction, and the students should be given a chance for higher academic attainments in accordance with their merits.

3) Proper selection should be exercised in regard to students being sent abroad for further studies. In this respect, our system for the selection of students differs from that of Japan. Chinese students who are sent abroad are mostly selected from among graduates fresh from college, and who have not yet gained a profound grasp of the particular subject in which they are being sent abroad to specialize. Also, the courses in which they are to specialize abroad are not necessarily those which they cannot study at home. On the other hand, a great number of assistants in public institutions and in factories, who possess practical experience, are denied an opportunity for further study abroad because of the fact that they are considered to lack the necessary qualifications. Also, there are some working in public institutions who desire to pursue further studies abroad, who are denied such an opportunity simply because their institution does not belong to the particular clique whi has the power to send students abroad; hence such aspirants cannot hope to develop themselves further. For these reasons, every year sees an increase in the number of "gas bage" returning from abroad, but it is not easy to secure scientific mon, possessing sound knowledge. On the other hand, there are a large number of talented students who for one reason or another are compelled to remain in obscurity. This state of affairs really means a great loss to the country, and is most wasteful.

On the other hand, the greater number of the Japanese students sent abroad for further study are technical men, belonging to industrial bodies or to Japanese factories. It is because a particular kind of technical training cannot be had within the country that Japanese technical men are being sent abroad to specialize in that particular subject, wherever it can best be obtained. It follows that each of the Japanese students sent abroad to specialize in a particular subject is enabled to make contributions to his country upon his return.

For this reason, we believe that more rational methods should be followed for the future selection of students studying abroad. It would be best for educational and industrial circles to co-operate in the selection of students to be sent abroad, and to determine what number should be sent each year. Strict compliance with the necessary qualifications should not be exacted from the candidates.

It would be best that such candidates for examination be recommended by: a) the Government recom truction organs, or by the institutions to which the candidates are analysedited; b) well-known academic bodies in the country; c) big commercial houses or other economic bodies. The recommending institution or Government organ should assume the following responsibilities; (1) that the candidates recommended by them, whether or not they have completed the required scholastic courses, are really possessed of special training or experience; (2) that the candidates are physically and morally deserving.

With such bona fide recommendations from recognized institutions or public bodies, and the enforcement of strict oxamination, we believe it possible to train up a more satisfactory group of technical personnel for the country.

It may seem out of place to talk about this fundamental problem within the sound of gunfire. But in actual fact, this matter has to be considered during the transitional period of rebuilding the country and affording it protection, and we must decide at an early stage the road we are to take so that when the time arrives we shall know what to do. And we must hasten to do it.

At the moment, there are many employed among the scientifically trained personnel. Many laboratories have been destroyed, and cannot now be made use of. Furthermore, there are great numbers of technical men from factories who now have nothing to do. I hope that the Ministry of Education will save unnecessary expenditures, and that people in industrial circles will put up money to send out a group of mon to carry on their studies and to prepare themselves for meeting the future.

We should hereafter not morely talk, but should do something for the country. We should also pay serious attention to the developments of the present war, and exert our level best in the struggle. Nor need we be pessimistic: "After the darkness comes the dawn." Foreign aggression can destroy the Old China, but it cannot prevent the birth of the New China. We must bury ourselves in a determined struggle, and the future of China will be one of glittering hopes! "Kue Wen Weekly", Vol. 14, No. 47.

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### ITALY'S RECOGNITION OF "MANCHUKUO"

Non-recognition of the puppet state of "Manchukuo," the "Ta Kung Pao" of Hankow pointed out in an editorial on December 1, was unanimously decided upon by the state members of the League of Nations five years ago. For five years all the Powers fulfilled their promise, and refrained from any recognition of the puppet state. It is highly regrettable that Italy has extended such recognition at the present time.

Such action on the part of Italy is most unfriendly to China, At the present time, when China is facing serious difficulties, is in the midst indeed of a most grave national crisis, Italy makes this blow against her in order to show favor to Japan. It is true that Italy's recognition of "Manchukuo" will in no way affect China's sovereign rights over the four Northeastern provinces, in one way or another, but it must be noted that both spiritually and morally Italy's action is not that of a friend of China. We are at present, needless to say, in no position to do anything, but this action on Italy's part exposes clearly her real face. China will never forget that Italy is the first country to extend recognition to Japan's aggressions in China. Italy will be forever despised by the Chinese people, and by the people of all other countries who seek for justice and the right.

Italy's action shows clearly the present international situation. All efforts towards collective security and international agreements for peace have been destroyed by Japan and Italy. They are now recognizing the fruits of each other's aggressions. Japan extends her recognition to Italy's control of Abyssinia, and Italy extends her recognition to Japan's puppet state of "Manchukuo." Japan, indeed, declaring herself leader of the colored races, professed some empty sympathy to Abyssinia during the Italian-Abyssinian War, but nothing is being said now. We now hear of the lantern parade in Tokyo celebrating the conclusion of the Italo-Gorman-Japanese Anti-Communist Pact, but no more of sympathy with the Africans.

Both Japan and Italy want expansion -- and expansion. Their dependence is upon their military forces. They are the enemies of all democratic countries. Unless the democracies join hands and take collectively some definite action to check Japanese and Italian aggression, these two will soon start a second world war.

We hope that every Chinese will learn a good lesson from Italy's recognition of "Manchukuo." We must learn that when a country becomes weak, it is no longer regarded as a nation. Everyone will cheat and oppress her. If our armed resistance against Japan fails, and if Japan succeeds in dividing and occupying China, other countries besides Italy will take unfriendly actions towards up. Italy has already extended her recognition to "Manchukuo", she will rebognize all future Japanese claims over China if we fail to defend our territory. In China's long history, Italy and China have had comparatively little contact, and we now see only that rightcoursess and justice have been trodden in the dust by aggression and expansionism. We should all the more realize the importance of our present armed resistance, and take up arms to defend our territories. "Ta Kung Fao" Hankow, December 1.

# DEPARTMENT OF STATE

# DIVISION OF FAR EASTERN AFFAIRS

February 1

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Passages of interest marked.

lst article on national regeneration over optemistic and ideal-istic. Views on German mediation in second article of mild interest. Last article questions desirability of bhina's remaining in Learne

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CHINESE OPINIONS ON CURRENT EYE

(TRANSLATED FROM CHINESE PERIODICAL DIVISION OF

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NATIONAL CRISIS BRINGS NATIONAL REGENERATION

By Professor Chen Hen-che

The Chinese nation's gallant armed resistance should result in achievements of two distinct kinds. One of these is military success; the other is the laying of a foundation for national regeneration. Military success is temporary in its nature; its significance lies in its opening of an opportunity for building a new country. The second achievement, however, is permanent, and of vital importance in itself. If we do not have national regeneration as our goal, our present armed resistance is without meaning. Armed resistance is but a means to an end, but national regeneration is the end itself. Only because we have this goal of national regeneration before us is ourarmed resistance a great task, of great significance.

With military success in our armed resistance, we can move towards our ultimate goal of national regeneration like a ship sailing down river. With military reverses, we shall be like a ship sailing against the current. Whether with or against the current, however, the ship will reach its destined goal; the difference is one of time and effort. Against the current, more time and more effort are needed to reach the goal. But no ship, manned by a capable crew, will stop before reaching its destination, whether it is moving with or against the current.

Further, if a ship sails downstream, without difficulties, it is impossible to determine its ability in the face of storms and typhoons. A nation facing no crisis gives no indication as to whether or not it has the qualities to retain its position as an independent state. For this reason, we should take the present national crisis as a test of our national character. If bur armed resistance meets with military success, our national regeneration will be easily achieved. But if military operations are unsuccessful, we can still learn good lessons from this, further consolidate and exert our efforts, and final victory is ours. The foundation of national regeneration is laid by this further consolidation of our efforts. Immediate military success or failure, therefore, is not the most important factor. Of most importance is whether or not we can lay the foundation of national regeneration during this period of national crisis.

During the past six years of intensification of the national crisis, and especially during the past six months under foreign military pressure, a great part of the foundat on of national regeneration has been laid. These few strong stones, if properly placed and supplemented by others, will form a firm basis for the nation.

The first stone of this foundation is our national unification. This is the outstanding result of the present national crisis. Everyone knows that if we did not have the alien pressure against us, during the past six years many civil wars would have been fought. Every Chinese, however, whatever his rank,

class, or occupation, has joined his fellows as one man to resist the foreign aggressor. China has emerged from a declining military feudalism into modern unity.

The second stone is economic self-development. China is developing towards the goal of self-sufficiency in the way of foodstuffs and other necessities. It is shameful to import foreign rice, when China is an agricultural country. China has depended upon foreign countries or upon foreign factories in China for her gasoline, kerosene, paper, piece goods, many foodstuffs, and construction materials, as well as transport facilities. Even without foreign military aggression, China will perish in such a situation. We have to thank the Japanese for their aggression, which has resulted in Chinese capital and Chinese population being sent from the cities to the villages. Thanks to the Japanese blockade of the China coast, the Chinese Government and people are compelled to find a way for themselves to produce both food and industrial products to meet their demands in the interior. With this wonderful opportunity, every Chinese should choose for himself some particular productive work, and carry it out at some point in the interior, doing his part for his country.

If, for instance, we can develop our native industry at this time, when the blockade of the China coast prevents foreign competition, China will be able again to control her own market. After the cossation of the war, foreign goods will find it difficult to again penetrate the Chinese market. The development at this time of agriculture, mining, and manufacturing industry not only will prolong our armed resistance, but will also recover China's economic rights.

The third stone of our foundation of national regeneration is the rejuvenation of our people. China is an old nation. Our people inherit the characteristics of old men. As a result, China more or less refrains from the daring exploits characteristic of the young. The sacrifices by our troops at the front and our people at the rear, however, reveals that the race is still capable of the daring and venturesome exploits of the young. This rejuvenation is one of the most precious achievements of our race. If there were no foreign aggression, however, this new spirit would not have been developed.

The fourth stone is the baptism by fire of our national consciousness. Allowing for exceptions, the mass of our people were corrupt. Their senses were dull, they were accustomed to luxury and unable to bear hardship. The national crisis, however, has been for them a baptism of fire, and has made them realize the importance of a strong national consciousness for the defense of our country. Formerly, it was not unusual for one to place his own interests before those of this country, and it was not unusual for one to utilize public office to settle personal grudges. The situation now, however, is different, and such activities are now branded as those of traitors.

The Chinese people seemed to lack the spirit of co-operation and close organization. The national crisis, however, brought enemies together, joining hands for co-operation in defense of the country. This is in accordance with the Chinese classical saying, that a country will be remade in the midst of difficulties. Our paptism of fire has burned away the corruption of the Chinese race.

After leaving the cities, it is to be hoped that luxurious living will be wholly discarded, and a healthier life brought to every one of us. Those who fear death must realize, facing death and destruction by enemy planes, that everyone must die once, and must abandon their fear of death. It is to be hoped that besides this courage, we shall also have courage to eliminate all the social injustices. It is to be hoped that everyone will endeavor to increase the productivity of the country, and to increase its material strength by reducing his own personal consumption. By this change in living and in the purpose of living, it is to be hoped that everyone will be prepared to serve, rather to fight for position or for wealth.

During this brief period of a rmed resistance we have so far discovered these four strongs tones. If they can be put together, and supplemented by others, our foundation of national regeneration will be firmly laid. So long, therefore, as we can utilize this national crisis in this way, we shall be able to rebuild our nation, whether we have military victories or military reverses. People in the rear, who cannot go to the front lines to participate in the flighting, should every moment help others in the building of this foundation of national regeneration. In the mountains, in the villages, where people seem indifferent, the duty of every Chinese remains the same. His duty is to help in the gigantic task of laying the foundation for national regeneration. If each one of us takes part in this, we can face without shame our gallant warriors of the front lines in the fight. -- Ta Kung Pao, December 12.

### GERMAN MEDIATION IN THE SING-JAPANESE CONFLICT

By Chu Yu-kwen

After the withdrawal of the Chinese troops from the immediate vicinity of Shanghai, much was heard about mediation in the Sino-Japanese conflict. According to foreign reports, Japan presented five demands as conditions for peace, including: 1) Recognition of the puppet state of "Manchukuo", and the establishment of a Japan-China-"Manchukuo" economic bloc. 2) The establishment of autonomous anti-Communist governments in North China and Inner Mongolia, with Japan controlling their Customs. 3) Appointment of Japanese as superintendents of Customs throughout China, and invitations to Japanese advisors by all provincial governments. China is to exchange her agricultural products for Japanesemanufactured goods. 4) General Chinag Kai-shek will become the pro-Japanese President of the Chinese Republic, and will join the tripartite Anti-Communist Pact. 5) The dissolution of the Chinese land, sea, and air forces.

When these conditions were published in the foreign papers at Shanghai, a Japanese Government sopkesman denied their authenticity, but foreign news agencies continued to report attempts of Germany to mediate for a settlement between China and Japane

When Sino-Japanese hostilities were approaching Nanking the Gorman Ambassador, under instructions from Berlin, flew from Hankov to Nanking to propose mediation to General Chiang, Presidebt of the Executibe Yuan and Chairman of the Military Affairs Commission. According to a "Reuter" report on December 2, the German Ambassador proposed the following conditions: 1) That Japan reiterates her declaration of no territorial ambitions in North China, and her desire only to co-operate economically with China. 2) That China will join the tripartite Anti-Communist Pact. 3) That Japanese troops will withdraw from Chinese territory.

Nothing resulted from the German Ambassador's visit to Nanking, as General Chiang insisted upon full respect for China's territorial and administrative integrity, but it is most important to analyze this attempt on the part of the German authorities to mediate for a settlement of the Sino-Japanese conflict.

Germany's attempt to mediate for peace was because of the following:

1) Germany expects, if she can mediate for a settlement of the Sino-Japanese conflict, to extend her influence into the Far East. This proposal of mediation is an attempt on Germany's part to expand the power of the Fascist states, and to strike a serious blow to the "collective Security" system, the League of Nations, and to international agreements for peace.

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As Italy took a strong attitude in favor of Japan at the Nine-Power Conference, Germany has become the only possible mediator for peace between China and Japan. She has tried desperately to maintain her friendly relations with China during the past few months, despite the Sino-Japanese conflict. Germany is now trying to re-establish her political position on the Far East by offering to mediate for a settlement of the Sino-Japanese conflict.

- 2) Germany has important economic interests in China. In order to preserve these economic interests, Germany does not want to see a protracted war in the Far East, as economic interests can only be developed in conditions of peace. Hopeing that the Sino-Japanese conflict can be terminated as soon as possible, so as not to endanger German economic interests further, it is natural for Germany to try to mediate for a settlement.
- 5) Since 1933 Germany's policy, both internally and externally, is that of anti-Communism. Last December Germany and Japan became allies, under a smoke screen of anti-Communism. Then fighting was at its height in the Far East the Fascist countries joined in the tripartite anti-Communist Pact at Rome. Germany expects Japan's assistance to attack Soviet Russia, rather than the exhaustion of Japan's military forces in the subjugation of China. Germany's national policy, therefore, calls for an early termination of the Sino-Japanese conflict. The London "Daily Herald" declares that Hitler on the one hand is afraid of the weaking of Japanese military strength as a result of a protracted war, and on the other hand fears the establishment of closer co-operation between China and Soviet Russia because of Japanese military pressure. It is for this reason that Germany offers to mediate for a settlement of the Sino-Japanese conflict.

When the Nine-Power Conference was being held in Brussels, Japan hoped that Italy and Germany would mediate for a settlement of the Sino-Japanese conflict, as a counter-move against the mediatory activities of the other Powers. As a result of the complete failure of the Nine-Power Conference, it would seem that Japan has no need of mediation to meet the international situation. Knowing the determination of the Chinese Government and people to resist to the last man, however, Japanese leaders are in fact anxious to restore peace in the Far East. Despite thes trong statements issued by Prince Konoye, his eagerness to seek peace is evident. He wants to beat China to her knees, but hopes that this process can be brought about in the shortest possible time, knowing that a protracted war will be most disadvantageous to Japane.

When Japanese troops suffered so heavily on the Shanghai-Noosung front, from August to November, Japan's military strength ceased to be regarded as that of a first-rate Great Power. With the withdrawal of the Chinese troops from Shanghai, and Japan's victorious march to Nanking, the latter are eager to terminate the war, so as to maintain her present victories. If the war continues, it is highly problematical as to who will be the victors.

Furthermore, at a time like the present, when the Japanese troops have scored a number of victories, any mediation offered by a third Power will be advantageous to Japan, the mediator first considering the conditions upon which the Japanese are ready to bring a stop to the war.

Fundamentally, Japan's enemy is not China. On the Pacific, her real enemies are the United States and Great Britain; to the North, it is Soviet Russia. The Japanese leaders do not wish to weaken their military as well as economic position in a war with China, and consequently be deprived of any real position in the second World War. To meet this coming World War, Japan is not ready to carry on a protracted war in China. For this reason also, Japan is eager to seek a compromise with China and terminate the war.

Though the League of Nations has done nothing to check Japanese aggression, Japanese military operations in China have created a most unfavorable international situation for Japan. Both material and moral support is being given to China by various Powers. Boycott movements against Japan have been started in various countries. To prevent further worsening of the international situation in relation to her, Japan is eager to terminate hostilities for the time being.

Though the Japanese are eager to end hostilities, however, they are not reay to come to an understanding with China on a basis of equality, to treat China as an equal. As the victor, Japan wants China to surronder.

Ohina has determined to resist this. China has started her nation-wide struggle for national emancipation. She has been forced to the wall, and now has no alternative but to fight. Before the outbreak of the hostilities the Chinese Government had been most conciliatory, and tolerant of Japanese pressure; most cautious, and careful to avoid any hostilities. Because of Japan's unlimited ambitions, however, the Sino-Japanese war broke out in July, and with the outbreak of this China decided to carry on the struggle to the bitter end. General Chiang Kai-shek, in his public speeches and statements, has repeatedly declared that China does not want war, but if war is forced upon us there will be no middle way and no compromise, but sacrifice to the bitter end. The reorganization of six coastal and interior provinces, the removal of the national capital to Chungking, are all indications of the firm decision of the Chinese Government to resist to the bitter end.

It must always be remembered that we are being forced to fight. Our struggle is for our very existence, for our independence and freedom. War or peace, therefore, depends upon Japan rather than upon China. If Japan makes a fundamental change in her national policy, there will be peace. Otherwise, there will be war. No mediation of any foreign Power can alter this situation. We welcome offers of mediation by foreign Powers. But we want to suggest to them not to play into the hands of the Japanese, or in any way assist Japan to carry out her aggressive activities in China. -- "Kuo Wen Weekly," Vol. 14, No. 48.

### CHINESE PRESS COMMENTS

#### 1. NEVER SURRENDER!

That China failed to offer resistance following the events at Mukden on September 18, 1931, says the "Ta Kung Pao" in an editorial in its final issue on December 14, was a wrong policy. It was due to a number of historical developments prior to the Mukden events. That Chinese troops, led by Chang Ching-hwei, Chang Hai-oung, and Li Shou-hain surrendered to the Japanese in Manchuria was most disheartening.

Since the outbreak of Sino-Japanese hostilities on July 7 this year, however, the Chinese troops have fought. They were defeated and driven back, but excepting for some few troops commanded by General Wan Fu-lin they did not surrender, either on the Northern or on the Eastern front. In the change from non-resistance to nation-wide resistance, and from surrender to persistent struggle and counter-attacks despite defeats, we see China entering a new era, one of regeneration.

That Chinese troops do not now surrender to the Japanese is most significant. As long as our troops refuse to surrender and continue to fight, as long as our officials refuse to serve as puppets and remain wholly Chinese, and as long as every one of our 450,000,000 Chinese retains his pure Chinese heart, China will never be destroyed. Though Yu Fei was killed because of the acts of traitors, his name remains forever green in Chinese memories, because of his victories over the alien enemies. Shih Kuo-fa was killed in Yangchow, loyally defending the city to the last, and showed us the national spirit of allegiance to the right. But Shih Chintang, Chang Pan-chang, Wu San-kwei, and Yin Ju-keng either surrendered to the enemies or served them as puppets. These latter have done much harm to the Chinese people, but each of them finally perished, and disgraced their families. Every Chinese must remember these lessons from history.

General Chang Tze-chung, one of the divisional commanders of the 29th Army, wanted to surrender immediately after the outbreak of the Lukouchiao incident five months ago, but his troops refused to obey his orders. The Japanese hoped to take Nanking without bloodshed, but General Tang Sheng-chi's reply was machine-gun and cannon fire. These are precious fruits of the present armed resistance. Mr. Chen Shan-li the grand old man of more than eighty summers and winters, starved himself to death because he could not bear to see the Japanese in occupation of Peiping. General Ma Chan-shan, the first Chinese general to seriously resist the Japanese in Manchuria after the events at Mukden, took \$100,000 -- half of his entire savings -- and left for Chahar and Jehol to reorganize his former troops to fight the Japanese in the North, writing his will and placing his family in the care of his friends. Mr. Chen's action is the model for civilians, while General Ma's action is the model for Chinese military men. If every Chinese civilian will refuse to cooperate with foreign aggressors, and every Chinese military man will take up arms to resist the invaders, we need never be disappointed over the future of our nation.

We do not care greatly about temporary military reverses. The loss of a city, or even a province, will not determine the ultimate outcome of this struggle. The most important thing is that neither our civilians nor our military men should surrender. Shanghai, for instance, has become a lost island, but Chinese remaining on this island must always remember that they are Chinese. No one must participate in anything detrimental to the interests of the Chinese nation. Public leaders here must never do anything, directly or indirectly, to support any kind of political activity promoted by aggressive foreign elements; if they do so it means surrender. According to reports from certain circles last night a puppet regime is today being organized in Peiping. All these puppets are Chinese; they have been public leaders, prominent in political and economic circles. But they are selling their souls, and becoming puppets. They will not dare to face their ancestors when they go to their graves. They will be forever condemned by patriotic Chinese.

At the present moment of crisis there are no differences of party or faction among Chinese. There are no political differences. Everyone should support the Central Government and General Chiang Kai-shek. So long as the National Government continues to resist the enemy, none of us should surrender. Even if the National Government moves its center to Miaoshan, or any other point in the interior, each and every one of us must look there for inspiration and instruction. Ordinarily, we might resent or criticize particular acts of the National Government, but today there is no room or time for voicing differences of opinion. We must all fight under a single leadership, just as passengers in a boat struggling against a great storm to save themselves. If we sink, we sink together. If we can weather the storm, we have achieved a wonderful security together.

We are newspapermen ourselves. Our mission is to report faithfully the news, and to write comments as dictated by our conscience. We may have contributed little to our country but we have done what we could. And we wish to remind every Chinese that we shall never, and can never, surrender.

### 2. INCREASED INTERNAL CONSOLIDATION

The coneral situation in the Far East, writes the "Ta Kung Pao" in an editorial on December 13, has reached an important stage. The Chinese people are facing the supreme test of whether or not they can survive as a people.

What Japan dislikes most is the unification of China. She does not want to see the consolidation of the Chinese people. China has this year really become unified to an extent unprecedented in Chinese history, and become firmly consolidated. It is because of this unification and consolidation that Japan has given us such heavy blows, and subjected us to such heavy pressure. What should be our answer to this? The one answer is further unification and further consolidation.

Japan's traditional policy towards China is to encourage and create civil war, so as to prevent internal peace and unity. By this, China will neverhave a strong government, and Japan

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can do what she please in the country. In the days of the revolution against the Manchus the Japanese helped both the revolutionary movement, led by Dr. Sun Yat-sen and Genoral Huang Hsin, and the Manchu Government engaged in suppressing the revolutionists. By maintaining the power of the two parties, the Japanese hoped that China would always remain in a state of civil war and mutual slaughter and confusion. With the failure of the Second Revolution, and with Yuan Shin-kai preparing to establish himself as Emperor, Japan presented to Yuan the notorious Twenty-One Demands. At these times the Japanese helped one party to fight the other. They assisted Mongol bandits to stage revolts. They helped themovement to overthrow Yuan Shin-kai, but also aided the movement to restore the Manchu Emperor, as a result of which there was the Chengchiatun massacre by Japanese troops.

Following the Washington Conference, when China had continued civil wars, Japanese intrigue was rife, but Japan did not often appear openly to assist one militarist against another. In 1928, however, when the Nationalist Army marched northward to the Yellow River, the Japanese sent their troops to Shantung, and tried in Tsinan to check the Chinese Nationalist advance. This attempt notonly failed, however, but finally resulted in the turning over of the four Northeastern Provinces to Nationalism, Chang Hsueh-liang raising the Kuomintang flag in Mukden.

As the Chinese Government became stronger, and China became more unified, the Japanese became much dissatisfied with this situation. This led to the events at Mukden of September 18, 1931, following which the four Northeastern provinces were lost. The position of the Chinese Government, however, became stronger and stronger. A unified country has been brought about by national crisis. If one remembers the enthusiasm of the Chinese people following the unification of the country after the Sian incident last year, one recalls the intense jealousy manifested by the Japanese. Because of the unprecedented unification and consolidation of the country, Japanese provocation led to the outbreak of Sino-Japanese hostilities in Lukouchiao five months ago. Japanese troops have now pushed further and further into the interior. In the meantime, press reports state that Prince Konoye, Premier of Japan, is trying to organize a "General Franco Government" in China, showing clearly the Japanese policy of keeping China divided so that they may rule this vast country.

The Japanese scheme is clear to everyone. Our answor to it is further unification, and firmer consolidation. The recent months of resistance gives us confidence that we can achieve real unification. We can stop all civil wars. When the military situation worsens more and more, and our armed resistance becomes more and more difficult, it is increasingly necessary to have unification and consolidation. We cannot tolerate any degree of friction internally while facing the foreign foe. Every one of us must support the Central Government, and no one must entertain any suspicious towards it. We may criticize it constructively, so as to increase its strength, but we should not fail to have confidence in it. It must always be remembered that this unification is what Japan most dislikes. It is this unification that we must threasure. It is only through unification and consolidation that we can fight for our existence, or die together with the enemy. If we cannot achieve complete independence, we must have the courage to turn our country wholly into ruins and ashes.

Japanese troops are now occupying our country and killing our people. They are organizing both big and small puppet regimes in Chinese territories. If our confidence in our Central Government and our support of it is lost, Japan will be able to destroy the whole country. At this most critical time every patrictic Chinese must refuse to change his mind, regardless of outside threats or intrigues. No one should do anything to assist the enemy to conquer our country. All personal differences must be discarded. Everyone must realize the present moment of terrible crisis in the country, and cooperate whole-heartedly to protect our fatherland. We, the 450,000,000 people of China, must become a single person in spirit and action. We should be pure and brilliant like one great diamond. However great the Japanese military force, it will not be able to break this stone.

The Chinese race is today undergoing an acid test, which will show its capacity for survival. No Chinese can escape his duty now. Every Chinese must do his part for his country at this moment. We should unify as one man to fight for our existence against our powerful neighbors. The least we can do is to die together with them.

### 3. TA KUNG PAC'S FAREWELL MESSAGE TO SHANGHAI

China has entered into a new era, declares the "Ta Kung Pao" in a farewell message to its readers on December 14. We have reached the crucial point of survival or extinction. At this time we shall have to pay the highest price, and be prepared to make all sacrifices in struggling for the existence of our people and the survival of this nation. All that belongs to China can only exist for the attainment of this goal, or be sacrificed for this goal.

This paper has a history of more than thirty years since its first establishment in North China. In April last year we started the publication of this Shanghai edition, and have received warm assistance of people in Shanghai, and in Kiangsu and Chekiang provinces. Because of the intensification of the national crisis the Tientsin edition of this paper has voluntarily suspended. Today the time has come for the Shanghai edition also to say farewell to its readers.

The national army withdrew from the Shanghai area on November 12. At that time we were faced with two alternatives. One was to follow the national army, and withdraw from Shanghai and suspend publication here. Another was to continue publication here, under most onerous conditions, and do what we can to serve the three million Chinese in Shanghai. Whatever our choice, however, we cannot alter our principles. We are Chinese, and the paper is a Chinese paper. We will never surrender, and we will tolerate no insult. When we cannot maintain this paper as a 100 per cent Chinese publication we must suspend, and cease serving our three million people here.

With the withdrawal of the Chinese troops from Shanghai this city became an island, cut off from the rest of the country. We carried on upon this island for more than a month. We continued to print the war news both of the northern and eastern fronts. We continued to encourage our people for determination to resist to the last.

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The pressure from "special circles," however, has become stronger and stronger. The lives and the property of Chinese in the International Settlement and French Concession are more and more interfered with. This Chinese paper has found it more and more difficult to maintain its principles and still survive under this "special influence." They first took over the Chinese censorship and organized their own. They demanded that we send them copies of our paper, but with this we refused to comply. Yesterday we received another notice, demanding that we send them proofs before publication of our paper. No Chinese should be subject to any interference from a foreign Government in China, and we will not subject ourselves to insult. As sons of Han, and following the teachings handed down by our forefathers, we shall have to suspend publication.

Some of our readers will miss our paper. But we are obliged to suspend, and believe that our supporters and readers would not wish us to carry on under foreign interference and humiliation. It must also be remembered that this is but a temporary farewell. All of the three million Chinese in Shanghai must remember that the present abnormal situation is only temporary. Shanghai is now under the shadow of the dark clouds of this great dawn, but the wind of the new era will soon blow these clouds away, and under the bright sun of a new day we shall meet here again. While our Shanghai publication is suspended, our Hankow edition will continue to serve our readers and our people as always. Dear readers of Shanghai! We should not forget this moment of sorrow in saying farewell. It will redouble our joy when we meet again.

We are a hinese newspaper. We have full confidence in China's future. We have a firm and definite outlook towards the Far Eastern situation. China, with its history of five thousand years, will not be destroyed so long as we Chinese ourselves do not stain bur history with shame. China, with its population of 450,000,000, will not be destroyed so long as each and every one of us refuses to surrender. The Far Eastern situation is a long struggle between China and Japan. It will not be a problem of one or two generations. It has become an everlasting problems

The military results of today will not determine the final outcome of the Sino-Japanese conflict. We should not be disappointed at temporary military reverses, or wildly overjoed at temporary military successes. The war is not yet ever. The time has not come to say who is the victory, and who is the loser in this war.

To every Chinese we want to say that we should struggle on, following the teachings of our forefathers, and preserve our soul. We should do our best, our utmost best, to dispose of the national crisis. The Sino-Japanese conflict is in the nature of a relay race. We are now running on, but we shall pass the torch to our children, who will continue to carry it onward. The race will go on. Our descendants will continue it for generations to come.

We are newspapermen. Our duty is to write news and editorial comment for our readers. We may have done very little for our country, but we have done what we could, and at this moment we want to ask our people to double their efforts to fight for their country, as we have decided to do ourselves. Let us preserve our Chinese soul, and fight on!

Shanghai has become an island. Every Chinese on this island must follow in the steps of Ssu Wu, when he was in the hands of the Tartars. We know how he suffered, through starvation and bitter cold, to remain a Chinese. No Chinese on this present island should become a Li Lin, to assist the enemy. Until we meet again, let everyone on this island preserve his Chinese soul! So may we build a new China!

### 4. ITALY'S RECOGNITION OF "MANCHUKUO"

Italy's recognition of "Manchukuo" was expected, says the "Chu Chiang Jih Pao" (Hongkong) in an editorial on December 3, after the conclusion of the tripartite Anti-Communist Pact in Rome. This action on Italy's part showed even more clearly the real face of the aggressors' front, and has not affected in any way the Chinese nation, or China's determination to resist the enemy. There is no reason for us to feel anxiety over international developments. In fact, Mussolini's move of recognizing the puppet state of "Manchukuo" shows us beyond any doubt who are our friends and who are our enemies.

"do jure" recognition to the puppet state of "Manchukuo" at once, but since the conclusion of the German-Japanese Anti-Communist Pact in 1936 Germany has already entered into a number of agreements with Japan and "Manchukuo" for the economic development of Manchuria. Formal recognition of "Manchukuo" will be extended at some opportune future time. It is only a matter of time. Germany's endeavor to persuade China to join the Anti-Communist Pact shows clearly the ultimate aim of Germany and other aggressive states.

With an understanding of this situation, those who previously failed to understand China's needof choosing her friends carefully, and having nothing whatever to do with Japan's friends Italy and Germany, must be able to see the situation. Mussolini's move in recognizing "Manchukuo" should set their hearts at rest, so far as the matter of relations with Germany and Italy is concerned.

Germany, Italy, and Japan are brutal Fascist Countries. They are enemies of the entire world. At the time they joined hands the London "Daily Telegraph" declared editorially that their joint front against "Communism" is a more serious threat to Britain, France and the United States than to Soviet Russia. The Czechoslovakian papers declared that outwardly the tripartite Anti-Communist Pact was against Soviet Russia, but in reality was against Britain, America and France, as goographically speaking Soviet Russia was not directly affected by the alliance. On the other hand, British Singapore, Franch Indo-China, and the American naval bases in the Pacific, are exposed to attacks from Japan. Besides this Egypt will be exposed to attacks from Italy, and London and Paris will be exposed to attacks from Germany.

With the conclusion of the tripartite Anti-Communist Pact, Germany, Italy and Japan can take action to interfere with the domestic affairs of any third country by charging it with participating or "co-operating" with the activities of the

Communist International. The tripartite pact, therefore, is sontradictory to the principle of non-intervention by foreign Powers in the domestic affairs of nations. American and French newspapers have also commented in this vein, showing the trend of world opinion against the pact. Eventually, the Powers will combine to unbold justice and computer. the Powers will combine to uphold justice and equity.

China, ahead of other Powers, has shouldered the responsibility of driving Japanese aggression out of Chinese territory. of driving Japanese aggression out of Chinese territory.
Britain, France, the United States, and Soviet Russia will soon
take action to protect their own interests. So long as we
confidently carry on our sacred task of resistance, all the
weak and oppressed nations, as well as the democratic and
peace-loving states, will come to our assistance -- all excepting the Fascist countries. Internationally speaking, we shall
never be without friends. We can only be grateful for Mussolini's action in extending recognition to the puppet state of
"Manchukuo", so that everyone can know beyond any doubt who
are our friends and who are our enomies. are our friends and who are our enomies.

#### 5. ITALY'S WITHDRAWAL FROM THE LEAGUE

The palace of peace in Geneva, says the "Sin Wan Pao" editorially on Docember 13, is collapsing. It is no longer a place which is a magnet for all the peoples. What is left is but a skeleton of the old edifice.

Italy was one of the most important members of the League. After her aggressive actions in Abyssinia, her position in After her aggressive actions in Abyssinia, her position in the League was greatly changed. After the application of economic sanctions against her, Italy's conflict with the League became serious; but they did not reach the breaking point. That Italy remained in the League after the application of economic sanctions against her, and after her complete occupation of Abyssinia, was due to hopes that the League would extend recognition to her forcible occupation of this territory. Finally realizing that no such recognition would be extended to her new possession, Italy had no desire to remain a member of the League any more. of the League any more.

When the League was first organized there were expected to be When the League was first organized there were expected to be five great pillars of peace, -- Great Britain, France, the United States, Italy, and Japan. When the League was actually established, however, the United States failed to join it, and consequently there were only four Great Powers included in it. Germany later joined, but subsequently withdrew because of the armament situation. Following the "Manchurian incident," Japan also withdrew from the League. Soviet Russia, however, joined it. Though the League received fresh strength from the latter serious complications developed wing to the joined it. Though the League received fresh strength from the latter, serious complications developed owing to the difference in political thought. Their political contradictions resulted in numerous disputes between Russia and Italy in the League. Now Italy has withdrawn from the League; and of the seven Great Powers only three remain -- Great Britain, France, and Soviet Russia. Meanwhile three other Powers, Italy, Germany, and Japan, are organizing a Fascist front as a counter-attack against the League. Is it possible that the League will be able to do anything in the future, in such a situation? situation?

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By Mitter 0, Sustain NARS, Date 12-18-75

President Wilson originally conceived the idea of the League of Nations, but it was only an ideal and a dream. As its organization was not democratic, it was always dominated by a few Powers and has been utilized by them. When Great Powers wanted to utilize the League for their own advantage, on the pretext of preserving the peace, they joined the League. When it was no longer useful to them they withdrew, as has been illustrated by Germany, Japan, and Italy. British advocacy of economic sanctions against Italy during the Italo-Abyssinian War was only an attempt to utilize the League in her own interests. With the change in the general situation in Africa and Europe, she advocated the withdrawal of sanctions by the League, also in order to protect her own interests. There are no specific rules or precedents for League action. The Great Powers can utilize it in any way that suits their purposes. Britain, France, and Soviet Russia are taking this attitude, as did also Germany, Japan, and Italy. When the latter Powers found it impossible to utilize the League, they withdrew from it.

This utilization of the League means putting their own material interests before those of other countries. Moral or spiritual aspirations are not as substantial as material interest. Italy, therefore, was not prepared to abandon her aggression in Abyssinia, though she had to violate the League Covenant. Abyssinia's adherence to the League of Nations did not preserve her independence. The tragedy is that a violator of League decisions can withdraw from it any time, and the League begs her to stay, while a country which adhered to the League Covenants may be destroyed and excluded from the League.

Ohina has been a member of the League for the seventeen years of existence of the body. Has China utilized the League in her own interests, or haschina been utilized by the League Powers for theirs? China has always obeyed the League Covenant. Have the Powers, or rather has the League, done anything in response to China's loyalty? In such a situation, China must again consider her position in the League of Nations, If China cannot utilize the League, but is restricted by it, for what reason does China stay in the League?

DEPARTMENT OF STATE

Division of Far Eastern Affairs February 21

MSM

Passages on pages 2 & 5 showing complete reversal of stand on certain Communist arguments are marked.

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# CHINESE OPINIONS ON CURRENT EVENTS

(TRANSLATED FROM CHINESE PERIODICALS)

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Proprietor and Editor: Fang Fu-an

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## THE CHANGING SITUATION

By Li Pu

The Japanese are advancing into Shansi in North China, and landing troops at Amoy in the South, while they have overcome our defense lines in the Shanghai-Woosung area. The have enforced a naval blockade of China's coastal ports, and carried out aerial bombardments almost everywhere. At the same time, the Japanese are disseminating everywhere their peace talks as camouflage.

The motives of the Japanese are quite plain. Their first objective is to drive the Chinese forces south of the Yellow River, in order to complete their first step of occupying
North China, so as to present the world and China with their
fait accompli. They will carry out the second step of
seemingly making some concessions in the Shanghai area and in South China, so as to compel world and Chinese recognition of the North China <u>fait accompli</u>, by so doing the Japanese hope to secure a temporary "cessation of hostilities" and "peace." A temporary "cessation of hostilities" and "peace," is necessary to the Japanese after their occupation of North China, for by so doing they can hope to succeed in the following:-

- (1) Consolidate their positions in North China, and prepare for a further military advance;
- (2) Induce China to abandon her determined resistance; break up the newly, acquired Chinese national solidarity; sow the seeds of dissension among Chinese political circles, so as to succeed in their policy of setting the Chinese against the Chinese.
- (3) Make the world, particularly Great Britain, believe that Japan has no ambition to monopolize China for herself; break the concerted action which the various Powers of the Brussels Conference might take against Japan;

Understanding the intrigues of the Japanese, no Chinese should allow themselves to fall victims; "peace talks" and "compromise" with Japan should be ruled out of the question altogether.

Under present circumstances, unfortunately, when China has lost most of Hopei, Chahar and Suiyuan provinces, when the whole of North China is menaced besides to the fall of the Shanghai-Woosung area -- there is a section of the Chinese who advocate "cessation of war to discuss peace", in response to Japanese propaganda for "peace and compromise."

The traitors, pro-Japanese cliques, and "defeatists," who during the past three months were silenced by the general wave of resistance, have now been emboldened to publicly advocate peace with Japan. They feel that the opportunity

has now been presented to them to publicly advocate peace with Japan. They say, "We have failed in our resistance, and this is solid proof that China cannot resist. For this reason China must cease to offer resistance against Japan, in order to arrive at a peaceful compromise. If China really wants to resist Japan, she must do so only after she has fully prepared herself." At the same time they say, "Resistance at present only works to the benefit of the Communists. Is it not clear that the Communists have extended their power during the present national resistance? For this reason we must oppose the Communists first, before resisting Japan."

We are familiar with the reasoning of the traitors, the pro-Japanese elements, and the "defeatists." At the same time, their theories about "preparation," "the superiority of military equipment," and "anti-Communism first, resistance next," are old themes which we have already refuted. But we must realize the far-reaching consequences which such theories can bring. We have sustained quite serious failure on the military side of our resistance, and great difficulties have resulted. The spread of "defeatist" ideas would tend to shake the unsteady elements among the Chinese military rank and file, cause a spaint in our national solidarity, and cause our policy of determined resistance to be shaken, thus tending to deepen the crisis for us in the present situation.

In actual fact, we have already seen that certain elements, particularly those sections of our people who hitherto did not favor resistance and who made it their special business to oppress the people and to prescribe the people's participation in national resistance -- those sections of the people who regard individual and party interests as more important than national interests, -- these are the people who have been most shaken by "defeatist" propaganda.

Unless we exert our utmost to evercome traiters, to evercome the pro-Japanese elements and the "defeatists," we shall not be able to sustain ourselves until we secure final victory. For they are the supporters of Japanese Imperialism, and the traiterous elements in the ranks of China's determined resistance.

We cannot dony the fact that during the past three months we have sustained quite serious failures in our resistance, as far as the military aspect of the situation is concerned. It is mainly owing to this sort of failure that a critical situation has developed both in North China and in Shanghai. But can we conclude from this failure that China cannot resist Japan, and cannot overcome her? The answer is "No". Even menlightened Chinese can know, or at least are learning, that the main cause of China's failure is her own weakness and the abnormal state of her affairs. Her weaknesses are:

(1) Party, political and military cricles have failed to mobilise the people, to organize and arm them; on the contrary, they have in all cases "regimented the people; monopolised national affairs, and restricted and oppressed the people's national salvation activities.

- (2) Our government has not yet joined hands with the people; it has not yet formed itself into a united people's fighting front; it has not yet determined to earry out the Three People's Revolutionary principles, and has not yet become the people's government.
- (3) Our armies have not allied themselves with the people; they are not yet politically conscious and highly disciplined people's revolutionary armies.
- (4) So far, our armies have resorted merely to passively defensive tactics; they have not yet resorted to actively offensive tactics, and have not yet mobilized and converted the people into guerrilla units to supplement the main fighting forces.

The weaknesses cited above have been revealed to us during these past months of resistance. We should frankly admit our own weaknesses, and learn a lesson from them. This lesson has long been pointed out by the Communists, it is as follows:-

- 1) Mobilise the broad masses, organize and arm them, and have the people participate in the revolutionary war of resistance;
- 2) Let the government join hands with the people, so that it shall become the united people's government of national defence; carry out the revolutionary Three People' Principles, and the 10 "points" for national salvation, advocated by our Party,
- 3) Let the army join hands with the people, and let the military system be reformed; rasie the standard of political training in the army, and enforce stricter military discipline; also, create new people's revolutionary forces;
- 4) Resort to active offensive military tactics; mobilize the people for guerrilla warfare, and make them a supplement to the main fighting units.

But can we say that our past three months! resistance has met with complete failure? No. Cortain results have been chieved, such as the following:

- a) We have inflicted losses upon the advancing enemy forces, and every inch they have occupied was attended with more or loss loss to them;
- b) Greater solidarity has come to us; witness the internal solidarity between the government and people, between local and central governments, and among the various political parties and cliques;
- o) Our international status has been raised; we have gained the sympathy and support of the world.

The result of our past three menths' resistance is evident to us, and is very precious to us. We must not fail to recognise this result, for it is mainly due to it that the Japanese have even yet not been able to realize their first

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object, of bringing the whole of North China under their complete military occupation. War still goeson in Shansi province, and also along the Kiangsu-Chekiang provincial border; without offering resistance, however, the whole of the five North China provinces and the provinces of Chekiang and Kiangsu would have long ago been lost to us.

The lessons we have learned and the results we have achieved during the past three months hear testimony to the final victory which shall be ours in the end. The lesson we have learned has been great.

From the foregoing review of the situation we should be able to say to ourselves that though we have sustained military failures, we need not be pessimistic. The lessons we have learnedhave served to train our people, and to make us realize the way to defeat our enemy; the same ppinions are now being shared among the more enlightened sections of our military, political and party leaders. These enlightened sections may have felt that the old political and military organizations are no longer suitable for the present needs, and they now feel that it is high time that changes were made. This testifies to the steady growth of the strength of the people's revolutionary forces. The growth of the People's revolutionary strength, we should realize, will overcome the treachery and intrigues of the national traitors, the pro-Japanese elements, the "defeatists" and Japanese Imperialists and sustain us in carrying on our resistance to final victory.

But we must solemnly point out that the main prop of the people's revolutionary strength, the broad masses, are still lacking in organization. The enlightened section of our military, political and party leaders are only just beginning to realize, but have not yet theroughly understood, the lesson we have learned during the past three months; changes in the military, political and party organizations have become imperative. They know that the old order no longer suits present needs, but they do not know what new forms should replace the old. The old habits and traditions, the conservatism and stubbornness of the pasticyears, the conceit and arrogance, still persist to the present day, to impode the carrying out of a thorough change. This cannot but serve to deepen the present crisis.

It was not for the purpose of consoling ourselves that we pointed out that the people's revolutionary strength is growing; and were merely trying to point out the responsibility we should undertake under present circumstances. Knowing that that responsibility is, we should exert ourselves to eliminate impediments placed in our way, strengthen our self-confidence, and urge our government to carry out reforms in the present political, military and party organization.

But which way shall we turn? Shall it be from national resistance to "peace and compromise?" Or shall it be from a purely government resistance to national resistance by the people? This question will be decided by whether or not the "defeatist" influences will be overcome by the strongth of the people's revolutionary principles.

The Chinese Communist Party has great confidence in the eventual victory of the Chinese people. The Chinese Communist party also believes in the final triumph of the people's revolutionary strength over "defeatist" elements, because outside of a small circle of traitors, pro-Japanese elements and "defeatists," the rest of the 400 million Chinese people are unwilling to become slaves to the Japanese, against whom they will struggle to the bitter end. Moreover, the Ohinese Communist Party has laid before them the road to final victory. The Eighth Route Army, led by the Chinese Communist Party, has demonstrated by their victories in Hopei, Chahar, Suiyuan and Shansi provinces that in spite of their inferior numbers, a highly politically conscious army can defeat and inflict heavy losses upon a superior forge. If the other Chinese fighting forces will only be reorganized on the model of the Eighth Route Army, if the Chinese Government will only arm the Chinese masses as does the Eighth Route Army, and if the plans of the Chinese Communist Party were only carried out, we would be able to defeat Japanese Imperialism.

For that reason the Chinese Communist Party has appealed to the Chinese people, and to the enlightened section of the leaders of the Kuomintang and the Chinese Government, and warned them against being victimized by the pro-Japanese cliques, the "defeatists" and traitors. The Chinese Communist Party has pointed out to them that they should not be disheartened by what now confronts them, by initial reverses, but should show the greatest determination and follow the ten points proposed by the Chinese Communist Party, in order to obtain final victory. We should transform national resistance. We shall not cease in our struggle, but will continue our policy of offering resolute and determined resistance. --- Emancipation Weekly, Vol. II, No. 22.

## RESISTANCE AND THE STORAGE OF GRAIN

By Chang Hung-hsiun

From a number of rural areas reports have come to hand which raise a number of problems, - problems which are really two aspects of the same question. On the one hand it is said that owing to untimely or in sufficient rainfall the year's harvests have been poor, with the result that many farmers are threatened with starvation and grain prices have soured. On the other hand it is said that though the year's harvest have been plentiful there is no way of marketing the produce, with the result that the over-stocking of grain supplies has forced prices down. The small and middle farmers, and others who have small quantities of grain, are thus unable to market their produce for ready cash, and thus a situation has been created whereby there is practical famine in the midst of plentiful harvests.

We can draw similar conclusions from a study of statistics. The Cotton Control Commission's recent investigations indicated that this year's cereal production (1937) is really greater than that of 1936. Such rice-producing areas as Hunan, Kiangsi, Anhwei, Kiangsu and other provinces, the investigations revealed, have produced a total of 80,000,000 piculs of rice, worth more than \$800,000,000 . Such a plentiful supply of grain constitutes real strength, in the present national emergency. But the period following immediately upon the outbreak of hostilities saw a whole sale immediately upon the outbreak of hostilities saw a whole sale interruption of our land and water communications, caused by our lines of communication having been diverted to military transport, as well as by intermittent enemy air raids. This has brought about a general stagnation in the transport of goods, the effect of which is now keenly felt. This situation is particularly acute in respect of the transport of rice from regions south of the Yangtze River to regions north of it. From this it seems evident that although the year's harvests have been plentiful, it has really conferred little benefit on the livelihood of the people, or to our national resources. A symptom of this kind in a period of national resistance must be put down as anything but bealthy.

The Chinese war of resistance is one which is expected to be It is a general war, and enbraces all China's e. The vicissitudes of war on the battlefields, prolonged, national life. national life. The vicissitudes of war on the battleffelds, certainly deserve our close attention, but far more important and worthy of our attention is the work which the people undertake behind the fighting lines. In respect of food supplies, the case is similar to that of ammunition supplies; both alike may affect the fortunes of war. Germany before the World War had sought to become self-sufficient in food supplies, but as the war progressed, and she was surrounded by enemies and her food supplies cut off, Germany's fighting units were literally starved into submission, and were compelled to sue for peace, owing to an inadequate supply of necessary

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foodstuffs. At present, when general resistance is being offered in China, plans relating to the production, distribution and consumption of grain supplies should be carried out, for the service of our military programme.

From what has been said in the foregoing, I consider the organization and planning of grain storage as a most important question, related to the problem of food control, -- especially under present conditions, when over-production and insufficiency have become dual and contradictory features in the matter of grain supplies in the rural areas. If the work of grain storage could be carried out satisfactorily, the problem of food control can be successfully tackled, and the danger of food scarcity could also be minimized even under the present conditions of national emergency.

Our efforts for grain storage should be directed to the establishing of a center of distribution and the exercising of control over the consumption of grain supplies; particularly is this necessary when productivity has been reduced, when communication lines have been interrupted and when aminsufficiency of food supplies is making itself felt. By so doing, profiterring may be prevented on the one hand, and regulation of distribution so as to prevent waste can be achieved on the other.

The grain storage system in China has had a long history. Although a number of systems, called by different names, have been used in the past, they have all had a common object in view, -- namely, the stabilization of grain prices, the relief and prevention of famine, and preparedness for war emergencies.

Allowing, therefore, for differences in accordance with changing conditions, the adoption of the following measures becomes necessary, to meet the present policy of prolonged resistance: --

The establishment of grain storage organizations. In order to carry on grain storage, the first thing to do is to have an efficient organization to effect measures for this. All such organizations, having the object of grain storage in view, should be brought under the control of a National War-Time Food Control Commission. A central grain storage organization should be instituted, and placed under the control of the national Food Control Commission, to carry out measures in that directions

In the various provinces, districts, towns, or villages, the responsible provincial chairman, district magistrates, village chiefs, etc., should be made responsible for the work of grain storage in their respective areas.

The expenditures entailed by the establishment of grain storage centers should be defrayed by the government administrations responsible for carrying out grain storage in their respective areas. The national treasury, however, should be responsible for meeting excess expenditures in this connection, or should subsidize the expenditure, where the local governments are unable to meet it. The central government should float public loans to meeting the necessary expenditure.

Under such a planned grain storage system, the government will be able to exercise strict control over the supply and distribution of grain; private dealing in grain will be prohibited, for the government will make a regular study of regional needs and productivity, distribute the grain supplies wherever they are most urgently needed and sell them to consumers as well as supplying them for war-time requirements. The following points are worthy of our attention in carrying out this plan of government control:--

- (1) As soon as grains are harvested, registration should be made with the local government authorities responsible for grain storage. The authorities, on being informed of the normal consumption rate of the local population, will duly investigate the matter, and should be authorized to purchase any surplus of grains for distribution to other consuming areas. The people (or farmers) should be responsible for the custody of their grain supplies until these are shipped away by the responsible government authorities.
- (2) Such grain supplies should be shipped away upon orders being received from the central authorities, in accordance with requirements. The local government authorities should report to the central authorities, and should the farmers want cash payment the central authorities can arrange to make this by instalments.
- (3) The grain supplies purchased by the government should be stored away in safe regions which are not easily accessible to enough destruction; the choice of such centers of grain storage should be dictated by convenience of communication, so that grain transport may be facilitated.
- (4) Grain supplies should not be concentrated at any particular locality, thus avoiding serious loss in the ovent of enemy destruction. Neither should we store away grain supplies in excess of immediate requirements in particular localities.

Finally, the question of an even distribution of grain supplies, both to the people in general and to the fighting units in accordance with their respective requirements, is the last step that is to be taken in the policy of food control. Its success or failure will have far-reaching consequences in the present war period. The distribution of grain supplies should be dictated by the sole desire of serving our fighting forces. Based on that supreme objective, the Central Government should circularise the various provisional grain storage centers, which in turn should plan their distribution of grains and study what quantity they may be able to secure from their respective areas. The district grain storage centers should do likewise. Finally, these latter centers should, in accordance with military requirements, deliver the quantities of grains specified. The grain requirements of the people behind the lines should be mot in like manner.

# Conclusion: --

If the grain storage system as outlined above can be carried out, not only can we maintain an adequate supply of grain for

our fighting forces, but the requirements of the people behind the fighting lines can also be served. An even distribution of grain supplies may also keep the machinery of production going, and help to solve in a fundamental way our rural problems.

We know that the collapse of our rural society in normal times has not been due entirely to famine or other natural conditions. Even in times of plentiful harvest, we see the phenomenon of depreciated grain prices. So very low have grain prices been, that it has become unprofitable to continue producing grain. There have been periods in the past that we have come to call "famine in the midst of plenty." This state of affairs is due in large part to the fact that agricultural produce cannot be marketed, etc.

With the policy of food control enforced throughout the land, grain prices, which have been fluctuating very widely, can be stabilized; the circulation of money can be expected to follow, and an impetus given to greater production.

In this manner not only can the problems of meeting the food requirements of our fighting units and of the people be solved, but the whole rural problem can also be solved. Here lies fundamental strength for our program of prolonged national resistance. ---Kuo Wen Weekly, Yol. 14, No. 47.

## NATION URGED TO REDOUBLE EFFORT IN RESISTANCE

By Lin Sen Chairman of the National Government

Speaking at the memorial service on New Year's Day in commemoration of the 27th anniversary of the establishment of the Republic, President Lin Sen made a stirring appeal to the nation to redouble its efforts to resist foreign aggression.

Referring to the Revolutionary spirit of the late Party Leader, Dr. Sun Yat-sen, the speaker said that this spirit "which enabled us to everthrow the monarchy and establish the Republic, is bound to enable us to evercome even greater difficulties in the future."

In the course of the past 27 years, President Lin added, China has suffered continuously from foreign oppression. In recent years, she has spared no effort in national recenstruction and unification. Since the outbreak of the Shenyang (Mukden) incident on September 18, 1931, our efforts in this direction have been redoubled and notable achievements made.

Foaring that a powerful China would be difficult to conquer, President Lin continued, Japan has openly embarked on a campaign of invasion, with the result that China's national existence is menaced and the peace of the Orient joopardized.

Recalling the Chinese proverb that "nation are revived in time of distress," President Lin said that the day of Chinese national regeneration has arrived. The entire country is now firmly united in the concerted effort to evereome the national emergency, so as to preserve the national existence and secure for China a position of independence and freedom in the family of nations.

"At this critical moment in the history of one country,"
President Lin said, "we must have confidence in our own capabilities, for the ultimate victory will undoubtedly be ours".

Economically and morally, China has already achieved a signal victory, President Lin declared. Since the outbreak of the Sino-Japanese hostilities, the economic position of Japan has been worsening. In the course of the past few months, Japan's budget has been increased by more than Yon 2,500 millions. At least two-thirds of Japanese property in Shanghai and other war zones have been destroyed. According to foreign observers, Japan cannot hold out much longer.

Moreover, the waste of Japan's man-power during the hostilities has been considerable. Repeated conscription in Japan has virtually called a halt to Japanese agriculture, industry and commerce. Continued hostilities will only see a further drain on Japan's manpower.

Morally, President Lin added, China is supported by all the civilized nations of the world. The sympathy of the civilized world is with her.

Militarily, President Lin said, there is no reason for possimism. Temperary military reverses cannot affect the outcome of the entire campaign of resistance. He recalled that during the World War of 1914-1918, France had lost the greater portion of her territory in less than a month from the outbreak of hostilities and was obliged to remove the seat of her Government from Paris. However, because the less of a battle does not necessarily mean the less of a war, France was finally able to recover her lesses and attain victory in the ond.

Indicative of China's determination to offer prolonged resistance to Japanese aggression, the Government has resolutely removed its seat from Nanking to Chungking, It is now the duty of the entire people to emulate the great Revolutionary spirit of the late Party Loader, Dr. Sun Yatsen, and redouble their efforts in evercoming the grave national emergency, President Lin concluded.

## TA KUNG PAO REVIEWS WAR EVENTS IN 1937

Paying profound respect to the countless dead who fell in battle for the country during the past five months and expressing deep concern over the numerous war refugees, the Ta Kung Pao! on the last day of the year -- which is considered the beginning of national rejuvenation, rather than the end of national extinction -- analyzed the year's war events and made the following frank observations:

In the first place, the journal stated, cities which have fallen into Japanese hands were really not lost because we never had power to protect them. In other words, we would have lost them at any moment the enemy chose to launch their attack.

Secondly, such a war like the present one between China and Japan would have occurred sooner or later. What is to be regretted is that we did not exert our entire efforts in upbuilding national defense during past years. Civil strife, political stagnation and the easy-going ways adopted by the people were the chief causes which delayed national unification and reconstruction program based on the Three People's.

Principles have not been whelly carried outst an earlier date.

Thirdly, we must rejoice at the fact that the present war of resistance is the first of its kind in the whole history of China -- in that it is participated in by the whole nation with a definite aim. Furthermore, Japan is one of the leading military powers of the world. Up to now, all Chinese troops have displayed the utmost bravery and loyalty despite inferior equipment, and, in fact, all Chinese, whether rail—way workers, post office employees, telegraph operators, busdrivers, seamen, merchants, industrialists or ex-officials have shown unquestionable patriotism. The refusal of General Wu Pei-fu to become a Japanese puppet is a concrete example to show that China can become a modern State based on nationalism and that her foundation cannot be destroyed even by an enemy with the most modern war weapons.

Fourth and lastly, we must congratulate ourselves on the fact that we have presently a definite program for nation-building on the basis of the Three People's Principles, and that we have a national leader in the person of Generalissimo Chiang Kai-shek to supervise the execution of such a program and lead the Chinese army as well as the Chinese people in the war of defense. The purpose of the present war is not only to repulse the enemy but also to build a new nation.

Although we find ourselves at the year's end in a most critical and difficult position, the journal went on, yet we have successfully smoothed out internal differences arising from party affiliations and achieved real national unification. From now on, we will be able to put into practice, step by step and all with one heart, the revolutionary doctrines of Sun Yat-sen under the commonly accepted leadership

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Department of State letter, August 10, 1972
By Mittin D. Surles NARS, Date 12-18-75

of Generalissimo Chiang Kai-shek.

Regarding the first and second points, the paper averred, we ought to express deepest regrets and hold ourselves responsible for the present reverses. But we ought to be thankful and enthusiastic regarding the third and fourth points.

Concluding, the journal urgod the Chinese people on the last day of the passing year to reflect over the past events of the year and get ready to welcome the new and difficult year in which the New China is to be built.

EDITOR'S NOTE: The translations contained herein, in accordance with the sole purpose of this service to present without bias current Chinese political opinion to the English-reading public as expressed in contemporary newspapers and periodicals, are solely literal translations from such sources and are selected so as to represent an accurate cross-section of such opinion. The Editor does not necessarily subscribe to any opinion expressed in such articles nor can he be held responsible for them.

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# CHINESE OPINIONS ON CURRENT EVENTS

(TRANSLATED FROM CHINESE PERIODICALS)

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FROM FROM Editor: Fang Fu-an

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## BUILDING A NEW CHINA IN WAR-TIME

By Io Chia-lum President of Central University

It was on July 18, when 4,000 college professors and Farty leaders gathered at Haihuishih (temple) at Kuling, General Chiang Kai-shek made clear China's determination and China's attitude towards the Lukouchiao incident. This speech decided China's destiny. In it General Chiang said: "It is in this period of war that we shall build a new China." This statement left a deep impression in my heart, and I believe that it is of great importance to the future of the nation. In the present period of armed resistance we should analyze this statement, and study it thoroughly.

"It is in this period of war that we shall build a new China."
"War" and the "building of a new China" should be carried out at
one and the same time, and they are inseparable. It may be said,
indeed, that "war" and "building a new China" are two phases of the
same thing. The entire history and thought of China can be cited
to prove the truth of this statement. In the history of mankind,
we can find numerous cases showing how new social systems were
brought about by wars. The history of mankind is a history of warfare. In the early days it was war between men and nature. Then
there was war between men and animals. This was followed by war
between one race and another. Now we have wars between nations.
A nation may be destroyed by war, but it must also be said that a
nation may revive by war.

A Chinese proverb says, "without foreign invasion, a country will be destroyed." This means that if a country suffers no foreign attacks, it will receive no stimulus, and will die a natural death owing to its not having to strengthen itself. On the other hand, if a country is continuedly attacked by foreign enemies it will be busily engaged in developing itself, and therefore will be strong enough to resist foreign invasion, and to remain as an independent nation in the family of nations. If a country is attacked by foreign countries but this stimulus fails to bring about the necessary reaction of strengthening the country, however, it will be destroyed just the same. I would like to revise this proverb as follows: "with foreign invasion, and without making efforts to strengthen itself, a country will be destroyed."

We do not love war, because war is cruel. It will be a great blessing to the world if we can maintain peace at all times. History tells us that despite much progress in all phases of human life, war remains amidst us. War will remain with us in the future. There are only two ways to stop war. One is to fight a war to end war, and the other is to stop war by peaceful methods. The World War of 1914-18 proved that to end war by means of war is effective. That China was extremely tolerant, in order to avoid war with Japan, proved that the second method - of ending war by peaceful means - is also ineffective. In this situation, we cannot but believe that was is inavoidable. Those who cannot fight will have to become slaves.

They have no right to talk of a war to end warm or stopping war by peaceful means. We do not want war, but at the first time we do not want to see the Angel of Peace run through by a sword. We hate aggression, but we have to encurage our warriors for self-defense. We do not want to shout for peace, but instead we want to build up peace by our own strength. Only such a peace can be regarded as an honorable peace.

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War is an attempt to settle once and for all, all the outstanding accounts between two or more nations. The strong points of a fountry in peace are revealed clearly in time of war. Weak points are also revealed in time of war. If these weak points can be remedied as soon as they are revealed, there will be progress. It must also be said that through war we can unit our country. It is because of this that a number of strong Powers have been established during a time of war, such as France, Germany, even Great Britain.

In addition to numerous social, political and economic improvements, the World War of 1914-18 made two other contributions. One is industrial development, and the other scientific improvement. Regarding industry, we had machines of greater precision as a result of the war, which resulted in the standardization of industry. It increased the speed of industry. A third point is mass production, resulting in the high productivity of industry. These three points brought about our present machine age. As for scientific improvement, we see that from 1914 to 1918, a period of four years, numerous new inventions were made. The outstanding ones were the development of airplanes and radios. Science helps war, but war brings about scientific development. In addition to its contribution to war, science improves the welfare of human beings.

In order to be able to build a new country in time of war, we must know how to take defeats and make sacrifices. Defeat and sacrifice are inevitable in time of war, but the most important thing is how we can accept them to our advantage. Those who know how to take defeats and make sacrifices will strengthen their country by taking them as lessons.

A missionary told me once that the Cross represents defeat and sacrifice. On this Cross, goodness was crucified by evil. At that time, Jesus' disciples wept and were disheartened. They realized later, however, that it was useless to weep. They realized that only through their own efforts to spread the gospel of Jesus could they defeat evil.

We also wish to build a new China through the present war. We need not fear defeat. We need not avoid sacrifices. Defeat is but natural, and sacrifice is unavoidable, in time of war. So long as we can utilize these defeats and sacrifices to our advantage, we can build a new China. Historically speaking I do not believe that Jayan as she now is, will not be destroyed one day. At the time of the World War Belgium was entirely occupied by enemy troops, but after the war she again became a strong power. At the time of the World War two-thirds of France was occupied by German troops, but at the end of war France was the victor. Though France was defeated in many battles, she won the war. So will it be with China also, in her present armed resistance. China will be defeated over and over again in battles, but she will win the war. With religious faith, we should cling to this conviction of ours. -- Translated from the Ta Kung Pao, Hankow, January 1, 1933.

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IN THE COMMUNIST "HOMELAND" IN MORTH SHEWSI

### By Jen Tien-ma

This spring I went for a visit to Yenan (in North Shensi). During the day, I called on the local leaders and visited the cople's Anti-Ja anese Political Academy. At night Mr. Wang Yu-ping, who acted as our guide, Mr. Wen Tao, famous wood-cutter, and Gen. Chen Keng, divisional camender of the Red Army, came to my hotel and told us stories of their long march. They are all young men. They smoked their cigarettes, lying around on the "kangs," and the whole atmosphere in the tiny room was warm and comfortable.

From war, danger, heroism, hardship we talked on to the problems of men and women. Yu Ping said: "Here we have the most genuine love. It is not love of the commercial type. We have here love from the depth of one's heart, sincere love. It is different here from the outside world, the capitalist world. Love is not affected in any way by material considerations."

We all liked to hear these interesting declarations. While I was trying to ask a question, however, little Wen Tao stopped me, and almost shouted: "But the situation was bad, very bad for a time. There are people, who like to undertake 'guerilla warfare'!"

"Undertake 'guerilla warfare'? 'Guerilla warfare' in love?" we asked.

"Yes," answered Yu-ping, smiling. "'Guerilla warfare' in love was widespread here for a time. The situation has been, however, entirely brought under control, as a result of the concerted efforts of the people here. It was when we first came to North Shensi. Certain men were in love with certain girls, but they were not ready to marry each other. After a time they loved some one else, but they still maintained their policy of 'no marriage.' You know that we have strict laws prohibiting men to be intimate with girls other than their wives. They may marry other girls, providing they divorce their wives properly. But those who are not married can, in the face of these laws, make love to any girl at one time and to another girl at another time. These people who wanted to dream in love-nests, kept on their love-making, from one girl to another, and ontinuing their 'guerilla' tactics in love."

"Have you participated in this 'guerilla' love making?" I asked.
"I did not. fosolutely not. This bad situation was not universal
here. It appeared only for a short period. You know no crime can
exist among us, and this one disappeared in a little while." Suddenly
stopping his discourse, Yu-ping pointed at Chen Keng. The little moustache on Chen's upper lip quivered, and under his black spectacles his
cheecks reddened. Laughing, Yu-ping said: "Here you find the expert
in 'guerilla' love."

We were amazed. We did not know whether Chen Keng was an experting guerilla military warfare or in 'guerilla' love making.

A bit shy and ashamed, Chen Keng stretched his short legs, legs which were shorter because of some wounds in action. Yu-ping pointed at Chen's legs and continued: "With these two short legs he became an

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expert in guerilla warfare. He can run faster than ordinary people. Bécause of limited supply of rice here, we have only shi-fan (rice soup) for our meals. Those who can eat it faster can eat more; and Chen is also a very fast eatert Some times he works himself into a sweat, eating shi-fan so fast. He is really an expert in 'guerilla' tactics against shi-fan! The term 'guerilla' was very popular in that country!

Whon we first came here, every house seemed to be having a wedding party. All the streets were crowded with wedding sedans, day after day. I paid no attention to it, as I thought it must be some lucky day, or that many people marry on the same day in North Shensi. I learned later, however, that the real reason was the fear of the people that the Communists might "communize" their women. As a result, they hurriedly married off their daughters or married in their daughters-in-law, so as not to give the Communists a chance! We could not, of course, let such a misunderstanding prevail. We sent men around to explain the situation and told the people that Communism does not mean to take wives in common, and share tham with others. Though we tried hard to explain, they could not believe that we were sincere in our words. After a little whole, however, when they found the Communists behaving very well, they began to see our point. Fortunately or unfortunately, however, there were many more newly-weds in Yenchuan, Kanchien and Lushihi"

Jokingly, Yu-ping said in a low tone to me: "You are certainly daring to bring your Min here. Aren't you afraid we might keep her here?"

Min was sitting beside the door of the tiny room. She started at us as we talked in low tones. She seemed to guess what we said.

Yu-ping continued to talk about the relations of men and women in North Shensi. He told us the standard for choosing a husband. First in importance was a true understanding of political affairs; second was the requirement that he be hard-working. This was unlike ladies elsewhere, who first wanted to find out how many acres of land or how many stocks or bonds you own, so that the lady may have a comfortable and easy life. People in North Shensi may be different in rank, but this gives no cause for difference in respect to one other. In their works, indeed, you may notice the differences in position, but in ordinary life there is no difference whatsoever. As to the women, after their marriage they depend on themselves for a living, and are in no way dependent upon their husbands.

The first requirement pointed out means that the man will under no circumstances become a reactionary or a traitor. So man and wife can work side by side and encourage each other, serve the people, and never drop behind. Intelligent girls in North Shensi are most afraid of muddled heads. They do not marry the ignorant and stupid. They are most afraid, however, of those who can talk well but cannot think. It is felt that only hard-working people are not wasters. These girls do not want a husband with soft hands or handsome face.

Yu-ping told us a story of a girl who came to Yenan seeking for her husband. Mistaking Yu-ping for her husband, she took hold of him and hung on, refusing to leave him. This incident formed the subject of many interesting comments.

Later, we talked about several outstanding women in North Shensi, including Liu Chun-shin (Mrs. Po Ku - Chin Pang-shian), Ho Tze-chen (Mrs. Mao Tze-tung) and others. We were told that Ho Tze-chen carried in her body at the present time more than twenty wounds received in action.

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Mac Tze-tung is not a person who impresses one as fearsome. He does not have hair measuring more than two feet long, nor finger-nails several inches long. He is, indeed, a scholar! For the past ten years he had made military or other plans late into the night, and did not go to sleep till daybreak. He had the habit of sleeping in the daytime and working at night. Though not a newspaperman, he leads a life like the editor of a morning paper.

Mao cannot write humorous stories like Lin Yutang, but in smoking cigarettes he is a true disciple of Lin. Except when making a public speech, he always has a cigarette in his fingers. His hard work during the past ten years has depended much on the cigarettes to maintain his spirit.

Is it because of the stimulus of tobacco that he once in a while writes a poem instead of a political essay?

Red armies fear no hardships;
The long and winding course,
Though streams and mighty mountains,
Mean nothing to our force.

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We had two conversations with Mao Rze-tung. The last conversation we had, he asked me to say "Hello" to Mr. Edgar Snow for him. Both of our conversations were held in Miss Agnes Smedley's residence, which must be the cleanest house in all Yenan, though if compare with the college campus of Yenching or Tsing Hua University it is not as good as the servants' quarters!

In the "evening parties" Mr. Mao, like everyone else, looked at the modern stage plays. During an intermission we found a child sitting beside him, and they were chatting and playing together in the most natural way. It amazed me that Mr. Mao had no air of superiority to the light-headed child.

Pale of face, Mr. Mao is indeed both undermourished and overworked. It was in the early days of a hot summer, but his cottonlined uniform still clung to his body.

Whenever Wen Tao spoke to me of Mao Tze-tung's private life, his unsteady voice showed his deep understanding and sympathy. "Mr. Mao has always been busy during the past ten years," he said. "Even when he was sick, he continued to work. Because of crop shortage, the people here now have a real famine. The livelibood of the people is poor, and Mr. Mao does not want to improve his own personal livelihood. We all wish he were better nourished, but he insists on undergoing the same hardships as everyone else."

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"I think Mr. Mao should take some castor oil. It is not expensive, and it is not so difficult to get," I suggested.

"Hore many old men and women have no one to feed them. Many children are undernourished. Little has been done to develop cultural work. Mao will never take caster oil in the present situation. In Yenan, each of us has an allowance of five cents a day for vegetables in addition to rice soup.

"When the Anti-Japanese University was established, and thousands of students of Tsing Hua, Pei Ta, Nanking, and Fuh Tan universities came here, they could not stand the hardships, despite their determination to work hard. They did not want to say that they could not life on this food, but whenever you mention meat their mouths water. Knowing that these students cannot subsist on five cents worth of vegetables per day, Mr. Mao increased their allowance another three cents. You know we have no money. Do you know how it is that these students have eight cents each for food? It is because every one of us holding a political or military position has only two cents a day for food!"

Wen Tao is a very enthusiastic person, and talks with warmth.

"I hear that Mr. Mao goes to the Anti-Japanese University every day to teach," I said. "Let us go tomorrow and see!" and I added: "We are tired by travelling two days by train and three days by car. We will certainly lose the basketball game against the students of the Anti-Japanese University tomorrow!"

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Chu Tze-chin complained that the Tsing Hua students treated the servants at Yenan very badly. They shouted at them, "Come here!" -- just like the "little masters" calling their servants. In Yenan, there is no way to address other human beings except as "comrade." In the little hotel I heard people call: "Little comrade, bring some water." The word "comrade" was so loud, however, that it sounded like "calling names"!"

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We talked to General Chu Teh. Everyone in Yenan said that Chu Teh is very polite and moderate. I am sure that if he joins Yenching University as a freshman, no one will want to throw him into the university lake! He was often seen in the playground playing basketball. Although he is getting on in years, he is still strong, a sturdy soldier.

We talked about armed resistance against Japan. Chu Teh can convince one that China is fully assured of final victory. But he repeats over and over again that it is only through guerilla warfare, on a nation-wide scale, that we can attain this victory. He analyzed the strength of China and Japan from the military, political, economic and geographical points of views, and from the viewpoint of human resources. His conclusion was that in all respects China's position was better than Japan's.

He talked on military tactics and military plans. Protracted war, a war aiming to exhaust Japan, guerilla warfare, and national mobilization are the real strength of China. Unless China is ready to make supreme sacrifices, however, she cannot attain final victory, he stated.

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General Chu's biography is now being written by Miss Agnes Smedloy. It will be published in the near future. The manuscript has already undergone its first revision.

Stories of Chu Teh, written by Mo Shiu, have been copied by hand. I saw a copy on Miss Ting Ling's desk. This book tells the story of Goneral Chu during the long march. Of the many stories, there is a very interesting one of the time when Chu was taken prisoner in the war in Kiangsi. His captors paid little attention to him, because of his shabby uniform and his rough appearance. It happened that he carried a kettle with him on the day of his capture, and when his captors asked him what was his work in the Red army, he answered that he was a cook! Being only a cook he was released, and with a price on his head greater than the highest tickets in the State Lettery!

On the battlefield, Chu can fight. In the headquarters, he can plan. In the kitchen, he can really cook. He has no time for rest, being always occupied by something, from fighting and reading to cooking! It is said that he can cook rite just right, and other food as well. As for us, we open our mouths and eat, and perhaps never enter the kitchen at any time. We feel shame when we come face to face with those hard-working, capable men!

Translated from "Yu Chou Fung" (World Currents), No. 55, December 21, 1937.

#### CAN SOVIET RUSSIA HELP CHINA? \*

By Chin Che-hua

Part Two: The Soviet Attitude From The Soviet-Japanese and Sino-Soviet Relations.

Japan and Russia during the Tsarist period came into serious conflicts in the Far East; Soviet-Japanese relations were greatly strained in the time. After the Russo-Japanese War, although Russian influence was driven from South Manchuria, Russia still sought hard to maintain her influence in North Manchuria, Following her victory over Russia, Japan gained great political influence and increased her military strength or prestige, and enjoyed great industrial expansion and laid the foundation of Japanese capitalism. This in the Far East Japan had replaced Imperial Russian influence with her own.

But after the success of the Russian Revolution in 1917, Tsarist despotism was overthrown, and the Socialist "New Economic Policy" soon changed the old economic order; and soon the Socialist forces became consolidated in Russia. The completion of the Soviet Five Year Plan further consolidated Soviet industrialism, and great changes have been brought about by the Soviet Russians over the whole of Soviet Russia, and no longer can we compare the Russia of the present day with the Russia of the Tsarist period. Under Soviet leadership, literally, enthusiasm and a surging flame have been aroused throughout the Soviet territory. The successful outcome of the Russian revolution together with the results of Soviet industrialism have directly threatened the world's capitalist fabric, and for that reason the capitalist Powers have wanted to eliminate Soviet Russia. Japan, which is a newly risen capitalist country, is no exception to that rule.

Under such circumstances, although the government of the U.S.B.R. has renounced her rights in China, she has, however, felt that in the coming struggle she could not avoid an embroilment, and for that reason, the Soviet Government has again changed her attitude, and sought to maintain her hold on the Chinese Eastern Railway.

Eyer since 1931 after the outbreak of the "Manchuria Incident" Soviet-Japanese relations have become greatly strained; that relation has passed through many stages: the first stage was when the Japanese occupied Mukden on September 18, 1931, following which they occupied Harbin. During that period Japan secured the tolerance of both Great Britain and the United States of America by pretending to fight under the banner of "anti-Communism." Also, mainly because North Manchuria at that time was still being occupied by the Chinese Volunteers under General Su Ping-wen and General Ma Chan-shan of. Nomin River fame, Soviet-Japanese relations although strained, did not result in open conflict as might be imagined and hence no untoward incidents had occured between the two countries. From that period onward until both Generals Su and Ma were driven from North Manchuria, Soviet-Japanese relations entered into a second stage: the conflicts between the two countries became gradually crystallized.

\* Continued from last issue

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At that time Soviet defenses in the Far East were still weak; Britain, the United States and other countries were awaiting the materializing of Japan's anti-Soviet move, but because during this period the resurgence of the anti-Japanese movement in China became strong, Japan did not dare to embark upon an adventure against Soviet.

From the time of Japanese occupation of Shanhaikwan to the time of their invasion of Jehol, in the early part of 1935, Soviet-Japanese relations underwent a temporary enange for the better. Soviet Russia then seized the opportunity to strengthen her Far Eastern defenses, and at the same time took advantage of Great Britain's disappointment over the failure of her policy in the Far East to resume diplomatic relations with the United States.

Again, after the Japanese occupation of Jehol, Soviet-Japanese relations entered upon a critical stage owing to the fact that Japan was intentionally inviting trouble with Soviet Russia ovor the question of the Chinese Eastern Railway. But Soviet Russia, by offering to sell to Japan the Chinese Eastern Railway, managed to gain time by delays to strengthen her Far Eastern defenses, and at the same time succeeded in entering into mutual non-aggression pacts with several western European countries. Soviet Russia thus gained in international prestige and secured attendant advantages for herself. However, the border clashes between Soviet and Japanese military outposts stationed along the Siberian and "Manchukue" borders, the deadlock over negotiations for the sale of the Chinese Eastern Railway, the trespassing into Soviet territries of Japanese airplanes, the sheeting by the Japanese and the counter-attacks by Soviet vanguards, the detention by the Japanese of Soviet employees of the Chinese Eastern Railway administration, and the break-up by the Soviets of a Japanese espionage system in Siberia - - all those incidents again served to aggravate Soviet-Japanese relations and supplied justifiable casus belli for the two countries to come into open conflicts. Although anyone of these incidents was grave enough to lead to open warfare by the conflicting forces, no major outbreak occurred however, and Soviet-Japanese relations remained uncertain. Even as recent as 1936, Soviet-Japanese relations remained very critical owing to the many border clashes between Soviet military outposts and those of "Manchukuo," No less than several tens of incidents occurred during the interim between the Soviet outposts and those of "Manchukuo," the major and minor incidents included. The repeated occurrence of such incidents, part from their nature, served merely to indicate the gravity of Soviet-Japanese relations. Although many incidents had occurred either between "Manchukuo" forces and Outer Mongolian forces, or between Soviet force

Claiming that these incidents had arisen from the absence of a clear demarcation of territorial boundaries, Japan proposed to Soviet Russia the formation of a committee for the demarcation of their respective territorial boundaries, and suggested that a boundary line be drawn from Hsin Kai Lake in the east to Tumenkiang (river). Althoug agreeing to the Japanese proposal in principle, Soviet Russia made a counter demand to the effect that a similar committee should also be formed for the solution of Outer Mongolian-"Manchukuo" conflicts by peaceful means. It was because Soviet Russia realized the fact that in the event that Outer Mongolia was invaded, the Soviet Government would be duty-bound to render her assistance. The reasons are that: first, Outer Mongolia occupies an important strategic position in

relation to Soviet Russia; second, ever since 1921, Soviet Russia has secured a firm foothold in Outer Mongelia; moreover, Soviet Russia had by this time greatly strengthened her military position, and was not so weak as at the time when negotiations took place between her and Japan. The Soviet Government could not become a mere spectator if Japan were to engulf Outer Mongelia.

Historically, Soviet-Japanese relations in the Far East have always been marked by conflicts. The series of incidents as mentioned in the foregoing merely served to indicate the tendential conflicts between the two countries during a critical period of their relations.

We shall now attempt to make an appraisal of Soviet-Japanese relations in the future in the following pages.

Although we cannot offer a positive answer to the question as to how Soviet-Japanese relations would develop in the future, we can safely draw the conclusion that, judging from past historical events, Soviet-Japanese relations will become over more aggravated than ever before.

Should Soviet Russia and Japan fail to come to some compromise measures or to improve their relations, then there is a possibility that finally the conflicts between the two countries will develop into a war which alone can solve their mutual problems. The main point of conflict between Soviet Russia and Japan from now on, will center around the problem of Outer Mongolia. Cuter Mongolia will necessarily become the bone of contention between the two countries. From the Soviet point of view, it would be better to return Outer Mongolia to China, for by so doing Soviet interests in Outer Mongolia will not be prejudiced; but to allow Outer Mongolia to fall into Japanese hands, a contrary result will follow. From the Japanese standpoint, to get Outer Mongolia is an imperative necessity; by taking Outer Mongolia, Japan can then threaten Soviet Russia and us it as a jumping ground for detaching the eastern portion of Siberia.

Of course, it is not impossible to improve Sovict-Japanese relations, but then the two following conditions must be complied with: first, Japan must abandon her ambition to invade Outer Mongolia; second, Soviet Russia must retreat from Outer Mongolia, which shall then be amalgamated with Manchuria under Japanese auspices. But these two conditions are impossible of realization. Not long ago political circles in Paris reported that Soviet Russia was considering returning Outer Mongolia to China. If this were true, it would simply hasten the contemplated Japanese invasion of Outer Mongolia, for, once Outer Mongolia were returned to China, China would occupy it as a military base from which to attempt the recovery of the Northeastern provinces which have been lost to Japan.

From these and many other reasons, it may be surmised that there is little possibility for an improvement in Soviet-Japanese relations; also, Soviet Russia's real attitude towards Japan can also be divined from the full implications of the reasons aforementioned.

The possibility of Soviet Russia returning Outer Mongolia to China is rather threatening to Japan. It is not necessary to explain the reasons for Soviet Russia having wanted to return Outer Mongolia to China as far as Japan is concerned. The full import of such a move on the part of Soviet Russia may be perceived from the nature of Soviet-Japanese relations and from the real attitude of Soviet Russia towards Japan.

Next, we shall try to see how are Sino-Soviet relations. From a strictly historical standpoint, Sino-Soviet relations cannot be said to be excessively close; even from the repeated severance of diplomatic relations between Soviet Russia and China it may be concluded that Soviet-Chinese relations have been none too good. Sino-Sovietdiplomatic relations was broken off in 1929 when controversies arose between the two countries over the question of the Chinese Eastern Railway; but during the outbreak of the 1932 "Shanghai Undeclared War," the diplomatic relationship was resumed again. But it was not until after the signing of the Sino-Soviet Mutual Non-Aggression Pact last year that real Sino-Soviet friendly relations may be said to have begun; the pact came into existence at the time of Chinese national resistance against Japan.

The signing of the Sino-Soviet Mutual Non-Aggression Pact not only has turned a new leaf to the diplomatic relations between the two countries, but has promoted the friendly relations between the two countries one step further. The mutual pact not only has strengthened Sino-Soviet position in the Far East, but has also given a further safeguard to Far Eastern peace. The "Pravda," in commenting upon signing of the Pact stated that the Soviet people have shown the friendly sympathy towards the Chinese people in their present struggle for freedom and independence, and declared that the Mutual Non-Aggression between the two countries is proof of that friendly sympathy. The journal went on to say that peace was indivisible, and that peace either in the East or in the West must be safeguarded. Soviet Russia was doeply interested in peace, and should pay strict attention to the fearful incident occuring in China, and to all that which should threaten peace, "Pravda" concluded.

Although the mutual non-aggression pact between Soviet Russia and China is negative in nature, there is every possibility of the two countries in coming to a mutual military assistance with a view to consolidating Soviet-Chinese positions in the Far East.

At the same time, the joint influence of both  $S_0$  viet Russia and China on the Asiatic mainland has been regarded by Japan as a potential threat to her; Japan also regards the two countries as her potential enemies.

From a potential, China has become a real enemy to Japan since the present Japanese military aggression in China began. Soviet Russia also will not be long in becoming the real enemy of Japan. Under present circumstances, the Sino-Soviet Men-Aggression Pact deserves our closest attention in view of the great significance it holds.

By reason of their geographical propinquinty, Sino-Soviet co-operation in dealing with a common enemy, Japan, is quite imperative. The realities of the present situation demands closer co-operation between China and Soviet Russia for the maintenance of Far Eastern peace and for ensuring the security of the Pacific Coastal area. The Soviet Russia has entered into a non-aggression pact with China speaks for the efforts made toward closer relationship between the two countries; that the pact has been signed when Japanese aggression in China is in full swing, speaks more forcefully of such an indication. Soviet Russia's friendly sympathies for China are manifested by the incessant Soviet troop transportation along the Siberia Railways.

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The true color of Soviet Russia, the vanguard of world peace, has now been better understood by the rest of the world; she will become a friendly military force to support the Chinese people's struggle for national liberation; more than that, Soviet Russia will become the protector of a new world order.

The real attitude of Soviet Russia can thus be divided from hor relations with China. But, under what conditions can Soviet Russia assist China? This is a problem deserving of our close consideration; and this is because, in spite of the conclusion of the Sino-Soviet Non-Aggression Pact, Soviet Russia will not come to the assistance of China unless the conditions for that assistance to China have been laid down and unless the time for such an assistance to China has become opportune. Soviet assistance to China will not follow automatically from the signing of the non-aggression pact with China alone.

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FARSWELL TO THE 26th YEAR OF THE REPUBLIC!

Today is the last day of the twenty-sixth year of the Chinese Republic, noted the "Ta Kung Pac" (Hankow) in an editorial on December 31. On this last day of the year let us consider what has happened during the old year, and what we should do in the coming year.

Today China finds herself in a most critical situation. In five months of bitter warfare, hundreds of thousands of soldiers have been killed, millions of persons have been driven from their homes, billions of dollars' worth of wealth has been lost. The tragedy is one of unprecedented dimensions. It is the most serious crisis in all China's five thousand years of history.

At the same time, we must recognize that today is the most significant day in Chinese history. It is a day of national regeneration, not the culmination of national collapse. It is to be hoped that our people can understand the following points:

First of all, the land which has been lost this year has not really been a loss of the past few months. For many long years we have been unable to protect it. For many long years we had no fortifications protecting our long coast-line. For many long years we had no strong army defending our territory. That the territories now under foreign occupation were not lost previously was not due to our having protected them, but simply to the fact that they were not invaded. China has no one to blame but herself in her failure to build up a strong defensive force. build up a strong defensive force.

Secondly, we must know that China and Japan are destined to Secondly, we must know that China and Japan are destined to fight a most serious and most bitter war. The outbreak of the war as only a matter of time. Now, we must double our energy andefforts in order to save ourselves, because of our failure to build up our defenses. Political univest, continual civil war, and contentment with a merely temporary safety many years ago prevented our establishing true unity. In short, we must regret our failure to realize the teachings of Dr. Sun Yat-sen, as embodied in the San Min Chu I. Had we followed these, we would have unified our country years ago, and have built up powerful defenses. We believe that all of our countrymen, including our leaders, should share the blame for this.

Thirdly, we must not neglect the importance of this year in consolidating our national spirit of war against an outside invader. This is the first time in Chinese history that we have stood together as one man to put up stern resistance against foreign invasion. Further, our enemy is regarded as one of the Great Powers of the world, so far as its military and naval forces are concerned. This war, therefore, is first im importance in China's long history. Our army, despite their poor equipment, have revealed their courage and sincerity as well as their lovelty. However figure the corrective of cour ty, as well as their loyalty. However fierce the cannon-fire of our enemy, it has failed to destroy the national consciousness of our soldiers. Not only the soldiers but the railway workers, postal workers, telegraph and radio workers, seamen, men and women in various walks of life, are doing their utmost for their country. Even old militarists, such as General Wu Pei-fu, have refused to serve the enemy as puppets. All these things prove China to be a new nation.

Fourthly, it is gratifying to realize that China now has a firm and decided national policy. Together with this policy we have today a capable leader - General Chiang Kai-shek. This was is therefore not only one to resist foreign aggression, but one to build a new nation. Even while we are engaged in this mortal combat we have decided upon our national policy in the building of a New China. This policy is that of the San Min Chu I - the Three People's Principles.

China finds herself, at the close of this year, in the most critical situation. Also, however, she finds herself united internally. From this time on we can carry out in earnest the revolutionary teachings of Dr. Sun Yat-sen.

Every one of us should blame curselves for the first two points referred to above, but everyone should be encouraged by the latter two, and work hard for their fuller realization. Now, at the close of this momentous year, we wish to welcome the new year - a year of a New China!

\* \* \* \* \*

THE INCIDENT OF THE USS PANAY

The incident of the U.S.S. Panay came to an end yestorday, with the American Government's acceptance of the Japanese Government's apology, writes the "Ta Kung Pao" (Hankow) in an editorial on December 27. It must be noted, however, that the bombing and machinegunning of the U.S.S. Panay was intentional on the part of the Japanese.

The Japanese Government, in its reply to the American Government, denied that the bombing and machine-gunning of the American gunboat was intentional. It declared, however, that the responsible officers have been severely punished, and that actions will be taken to prevent the recurrence of similar incidents -- though it refused to guarantee that there would be no recurrence. The American Government, after examination and consideration of the Japanese reply, accepted it, but expressed the hope that the Japanese Government will cease interference with American interests in China and illegal actions against Americans in this part of the world.

Commenting on this incident, we should like to point out, first of all, that its conclusion in this manner does not surprise us. The incident is a serious one, but it is short-lived in itself. Unless the United States is prepared to break diplomatic relations with Tapan, she must accept the apology and indemnification. The American Covernment cannot be satisfied with the reply, but in the present situation she must accept it, and consider the incident closed.

Secondly, though the immediate incident may be closed, its political significance and the political developments resultant from it remain. If the American Government were satisfied with the Japanese reply, it would not have been necessary for President Roosevelt to make its stirring speech, nor for Mr. Landon to tell the world that America is absolutely united with regard to her foreign policy. These things show that America is not only seeking

the solution of this incident, but is determined to uphold her interests in the Far East.

Thirdly we wish to point out that Japan's attitude towards the United States differs from her attitude towards Great Britain. Japan is trying her best to drive a wedge between America and Great Britain. To the American protest, she promptly replied and apologized, but to Great Britain's numerous protests she made no real reply. Japan is trying to prevent America and Great Britain from working together in the Far East; division between them enables her to carry on her invasion.

Fourthly, we should like to address the American Government and people, from the Chinese point of view, as follows: We hope that the American Government and people will not forget the reason for their great indignation over the incident of the U.S.S. Panay. They were so indignant because American prestige and American interests were endangered. Let us ask: Is one gunboat more important than America's traditional influence in the Far East for the past forty years, and her treaty rights and obligations? Naturally, one gunboat is not as important as are America's traditional policy, and interests, in China. The incident of the U.S.S. Panay is closed, but how about John Hay's "Open Door" Policy, the Washington Conference, the Nine-Power Treaty? For the incident of the U.S.S. Panay the Japanese Government tendered its apology, but with regard to the Open Door Policy and Nine-Power Treaty Japan has refused medication, and has increased her invasion of Chinese territory and infringement of China's sovereign rights. Japan not only refuses to accept the principles laid down by President Roosevelt in his famous address at Chicago, but on the contrary is attacking China to occupy this entire country.

Can the American Government accept such acts? Do they not conflict with American prestige and the American postion here?

Japan is well-satisfied with the general situation these days. She believes that the American Government is satisfied with her reply concerning the U.S.S. Panay incident, and that she has no need for worry in continuing her invasion of China -- nor any reason to be anxious about British interference in the Far East. May we ask the American Government and people whether the Nine-Power Conference at Brussels, which was "temporary adjourned," still exist? May we ask whether that treaty and that solemn manifesto have become mere "scraps of paper?" In other words, does the American Government feel that it can adopt the position of an outside observer in regard to Japan's destruction of the provisions of the Nine-Power Treaty? We hope that the American people, watching the news films of the U.S.S. Panay incident, will ponder these questions.

Recently, the Chinese people have much for which to thank the British Government. The British authorities have been most anxious regarding developments in the Far East. They have tried one method after another to solve the problem. They expected the American authorities to co-operate with them. We, on our part, hope that America and Britain will really co-operate with one another to establish a normal and peaceful basis for the international situation in the Far East.

#### UTILIZING CHINA'S IDLE CAPITAL

China is a poor country, the "Ta Kung Pao" (Hankow) remarks editorially in its issue of December 26. Furthermore, as a result of the present armed resistance much business and many factories have been destroyed by the Japanese invaders. We sympathize deeply with Chinese capitalists in their losses, as they are serious losses to the country.

There are, strictly speaking, no capitalists to speak of in China. As a result of this war (industrial) capital will be greatly reduced. The so-called capitalists will have less and less money. In fact, China will have only persons of different stages of poverty, with no distinction between rich and poor.

Though this is true, there is however surplus capital, or rather idle money, available in the country. In order to finance the protracted armed resistance, and to strengthen our military forces, this idle capital must be utilized to the fullest extent by the Government. Those in possession of it must not escape shouldering the most important responsibility of the country.

By "idle money" we mean money in the hands of people who do not actually require or depend upon it for their dai - livelihood. It is not our policy to go in for high-sounding phro is, and demand that all the people contribute all their money to to a country, but we do demand that people who have money beyond what is necessary for their immediate needs shall lend it to the Government for the campaign of armed resistance. It can be returned to them, with interest, in the future.

Great areas of Chinese territory have been occupied by the Japanese. Shanghai has been lost, and also Nanking. All foreign Powers, however, retain their confidence in us. They have all made it clear that they will recognize no puppet regime, and will continue to recognize our Central Government whereever it may have its seat. Everywhere we hear praises and admiration expressed for our troops. The more we resist, the greater respect and confidence the foreign Powers will have for us.

Because of their confidence and respect for us, the foreign Powers are advancing us credits. In such a situation, is it right or is it logical for fellow-countrymen with money to keep it, and refuse to give or even loan to the Government? It is the purpose of this editorial to appeal to those Chinese who have bank deposits, and especially to those who have deposits in foreign banks and foreign currency, to voluntarily offer at least a third, if not a half of their deposits, to the Government, to finance our second stage of armed resistance. It is reported that deposits by Chinese in foreign banks in foreign currency total some \$2,000 millions. Even if this figure is too high, and the total foreign currency owned by Chinese is only half the amount -- say something over \$1,000 millions -- if one-half is loaned to the Government we shall have over \$500 millions for the building of arsenals and the training of troops.

People who own foreign currency in foreign banks must have ample money to provide for their livelihood. Let them have their living expenses, even their luxuries, but the surplus over and above that they are duty bound to contribute or loan to the Government, at

the present time of national crisis.  $S_{\rm u}$ ch of their money as they are not actually using can be best utilized by the Government, to save their country.

Giving their money for us by their country should not be considered a poor investment. Not only will the investors receive interest, and finally get back their principal, but they will have assisted in saving their country. It must always be kept in mind that if their country is lost, their savings will have no legal protection. In the present international situation, if China is lost no one can say what value these will have in foreign currencies. It will not be surprising to see the foreign currencies depreciate in the same way as the German mark and the Russian rouble at the time of the World War. Let us advise those who have idle money to invest it in the best possible way, in the saving of their fatherland. Fellow-countrymen with idle money, trust your country! You can only be free if all your four hundred million fellow-countrymen are free. Money can mean nothing to you if your country is lost.

Millions of people are now dying for their country. Millions more are hastening to the front, ready to lay down their lives for their fatherland. It is because of their sacrifices that we receive universal confidence and respect for our country. But we need more troops. We need more munitions, more artillery, more airplanes. But we need money to train men and by weapons. If we had a hundred men like General Chen Chi-tang, who has given millions for the country, our problem would be solved, and our country saved.

In the meantime, we hope that the Government will formulate definite plans for those who have idle money to lend. First, we shall investigate and get definite information on those owners of idle money. Next we shall start a movement asking them to lend their money to the Government. Those who fail to do so will then be compelled to give their money.

\* \* \* \* \* \* \* \*

## THE PRESENT INTERNATIONAL SITUATION

At the opening of a new year, says the "Ta Kung Pao" (Hankow) in an editorial on January 2, what is the present international situation? In answer to its own question, the paper continues:

"First of all, we should point out that the "democratic" or rather the "peace" front has not yet been formed. In fact, it is still far from organization. Great Britain, the United States, and France are indeed working quite closely together, especially - recently - the two former. Both with regard to their sympathies and their material interests, there is every reason for these three countries to co-operate, but the United States does not wish to become involved in any way in European problems. She can give no assistance to Britain and France as regards their problems in Europe, and it is therefore impossible for the three countries to take definite common action in the Far East at present. Strictly speaking, the three countries cannot be spoken of as a "front" though Great Britain copoperates closely with France in Europe.

Secondly, the front organized by Japan, Italy and Germany is much stronger than the "democratic front" and these three states are taking definite and joint action in world affairs. Italy and Japan are working especially closely. Italy, on the pretense of being anti-Communist, is in reality anti-British, so that Great Britain is not fice to move in this part of the world. At the same time, with the Rome-Berlin axis, Italy and Germany are very active in Contral and mastern Europe. The Fascist developments in Roumania is now one of the most important problems of eastern Europe. Though these small countries of central and eastern Europe tend to adhere to Britain and France in their diplomatic relations, Italian and German influence is now growing rapidly in those countries as a result of the diplomatic activity of Italy and Germany, as well as the lack of close cooperation between Soviet Russia and Great Britain.

Thirdly, Britain's attitude is the key to the European situation. As between Italy and Germany and Soviet Russia, Britain has no definite and clear-cut attitude at present. Though Italy is strongly opposin g Britain there are repeated reports of Anglo-Italian rapprochement. Though both Britain and Soviet Russia are members of the League of Nations, they fail to take any definite action towards co-operation. As regards Anglo-German and Anglo-Russian relations, it may be said that the former are drawing closer, but are by no means intimate. It must be noted that while Great Britain depends in Europe under her co-operation with France, she nevertheless has no intention of joinging the Franco-Soviet Mutual Assistance Pact. In the Far East, Britain depends on co-operation with the United States, and has no intention of promoting or developing Anglo-Soviet co-operation.

Fourthly, Soviet Russia remains in a special position in the family of nations. On her western front, as one her eastern, she is bending all efforts on preparation for war, but on neither front will she fire the first shot. In the League of Nations, Soviet Russia has in recent years tried to promote the "collective security" system, but down to the present the results have been but slight. In principle, Soviet Russia cannot exist side by side with Japan, but when Japanese are busily engaged in a military invasion of China, Soviet-Japanese "border incidents" cease. Japan's present plan is to first conquer China, and then attack Soviet Russia. The Soviet Government, though most sympathetic to China, does not wish to hasten conflict with Japan -- as is further demonstrated by the recent conclusion of the Soviet-Japanese fishery agreement. As regards the European situation, it seems that Soviet Russia will be subjected to greater and greater pressure from the western side. If an Anglo-Italian rapprochement or compromise is reached, Soviet Russia's position will become even more serious. If, by that time, Japan has occupied large parts of China, it is highly probable that Soviet Russia will be attacked both in the West and in the East.

Fifthly, what the United States will do is the most important issue in the world today. In Europe, the United States is third in importance as regards its influence. In the world as a whole, any move she makes can seriously affect the future of other countries. In the Far East, the Japanese are paying special attention to America. The United States, indeed, is Japan's only powerful opponent in the eastern seas. In recent months, Japan has been trying her best to improve her strained relations with the United States. The amicable

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solution of the Panay incident is regarded by the Japanese as one of their important diplomatic successes. It is only very recently that the American authorities have generally realized the serious nature of Japan's ambitions. This realization has resulted in President Roosevelt's decision to build more warships.

what we have said above is a very brief analysis of the present world situation. We want to nake this clear to the Chinese people, for we want every Chinese to understand the complicated international situation, and realize that only through our own self-defense and armed resistance can we protect ourselves and obtain external assistance. The situation during the past five months has proved this. The situation which will develop during this new year of 1938 will prove it further. It must always be remembered that our armed resistance is a war of self-defense, a war of self-sacrifice, a war the burden of which we must ourselves shoulder. We must be held responsible for all its consequences. We should strengthen this determination of ours. Only by so doing can we save ourselves from bitter disappointment. The international situation is changing all the time, but we cannot depend upon the expectation of changes. We must depend upon ourselves.

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# CHINESE OPINIONS ON CURRENT EVENTS

## (TRANSLATED FROM CHINESE PERIODICALS)

Proprietor and Editor: Fang Fu-an



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#### FENG YU-HSIANG

- An Autobiography -

Chapter One. The Family History

My family history, the environment in which I was reared and the rapidly changing times with which is bound up my existence, are the fountain from which I have drawn my spiritual and thinking life and the factors which have influenced my every mode of activities and actions, making me what I am.

I have never visited my native village of Tsu Ke Chun at Chaohsien, Anhwei Province (I went there, however, for the first time during the Spring of 1937). I know a good many things connected with my native village, but my knowledge of such facts as relate to it, are incoherent.

What I now write concerning my family conditions at Tsu Ke Chun were narrated to me by father when I was quite young, and I have little by little stored up such facts in my memory.

My father was a mason by professon, and Yu Mou was his name. He was born in 1845 in the village of Tsu Ke Chun, Chachsien. Quite early in his youth, the family was in penurious circumstances, and he was compelled to live apart from his brothers to make a living. Father's elder and younger brothers managed to eke out a living by tailoring while my fourth uncle worked as a tenant farmer in the employ of his landlord. At one time father became a domestic, but not long afterwards he joined the army.

Through his life grandpa had been struggling in penury; his livelihood becoming even more difficult in his declining years. At one time grandpa fell very ill, but the family was penniless. There was not even the means of getting money needed to pay for medicine. All other means failing, father conceived the idea of catching fish at Lake Chao, and sold the catch to get money to buy grandpa the medicine.

When catching fish, father usually carried with him a pocketful of "kuo pa" (crude cakes) which he would eat when he became hungry; but when "kuo pa" was not to be had at home, he would pass the day with an empty belly as he used often to do.

Grandpa's illness grew worse, and within a twinkling winter came. Lake Chao was frozen, and it became practically impossible any longer to catch fish. In his helplessness, father contrived to bore a big hole through the frozen ice and placed above it a lighted oil lamp to attract the fish. The fish would then leap upon the surface and be picked up and caught by father.

One evening wind was blowing hard, and snowflakes danced as they foll. Father, as usual, carried his oil lamp to the lake where he would reach out for his catch stooping down. Grandma was attending to grandpa who was lying down and greaning incessantly upon his sickbed. Grandma's thoughts would momentarily be directed towards my thinly-clad father who was at the lake.

The difficulties of earning a livelihood for the family increased day by day and gloomy prospects stared us in the face at every turn

and were a source of painful worrites. Every time as the greans ceased and grandpa gradually relapsed into a slumber, grandma would tip-toe out of doors and there stand absorbed in mediation in an atmosphere rendered hazy by falling snowflakes, and only after father had safely returned covered all over with snow, would the aged lady's anxiety be allayed.

Persistent labour and werries gradually made father ill; and yet it was impossible for him to give up fish-catching.

To the difficulties of making a living were added the hardships brought upon us by the revolutionary movement engineered by Feng Hsiu-chien and Yang Hsiu-ching (Note: the Taiping Rebellion took place in Kwangsi in 1857 and found many supporters in several other provinces).

The family flod for safety, and it was during this period that grandpa, whose whole life had been spent in perpetual struggle, lost his life.

It is needless to say that at such times of widespread upheavals and chaos, both the death of the dead and the existence of the living were alike being regarded as unimportant.

Prolonged struggles under adverse circumstances coupled with hor solicitude for grandpa soon told heavily upon grandma's health; for already she was in her advanced years and showing signs of weakoning. My aunt and younger uncle were then too young to be really of any assistance in the practical affairs of daily life, so that at every turn father had to shoulder increasing responsibilities and hardships.

It was really making things too difficult for father to have a whole family leave home and to flee for safety under such circumstances. I can still recall tears suddenly gushing from father's eyes whenever he related to me about such events. Having written thus far, I paused to mediate, and I could still vividly see floating before me the sad and sorrowful looks of my father as he recounted to me those sad experiences.

Grandma proved herself unequal to the difficulties of undertaking the long and tortuous journey and father had to carry her upon his back, while my aunt and uncle followed on behind, making every effort to keep up with the pace.

The long journey proved exhausting to my aunt and uncle, both of whom, when tired out, caught on to the seams of grandma's dress and began to weep. Under this circumstance, grandma had to alight from father's back, while father sought and found two baskets and a pole, and scated aunt in one and uncle in the other basket and resumed the journey with the load, with grandma walking tottering behind.

Before we had journeyed very far, we came upon a river which flowed from Lake Chao, cutting across our way.

Here there were boats to ferry people across the river; but at such troublous times, father could not catch sight of even their shadows. Every one of the party, father in particular, felt a deep anxiety. To sound the depth of the river, father jumped into the water, and found, fortunately, that it was not very deep. By using a wooden tub, father soon managed to forry grandma, uncle and aunt across the river.

Just as the party was on the point of resuming the journey, father saw two girls between 17 and 18 years old arriving at the

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opposite bank. Judging by their excitment, it seemed that they were also in flight. They became even more disturbed when they saw that no beats were about, and they knew not how deep was the river. Just at this moment the shouts of the soldiery at a distance could be faintly heard. Finding themselves helpless as they gazed at grandma and the rest of the party being transported across the river in a wooden tub, the two girls, in their excitment, knelt down upon the opposite bank and implored loudly for help. Upon grandma's request, father went and fetched them across the river, after which they joined the party for the journey.

That same night the party came upon a ruined temple on a hill where they put up for the evening. Being a young man, father felt it inconvenient to lodge in the same place with the two girl strangers and he went out into the open to pass the night.

This insistence upon ceremony at such troublous times as this served to exemplify very fully father's strict adherence to discipline and his old-fashioned ways. Such little incidents became in later years an inspiration to my spiritual life.

The following day as the party was about to set out again, the two girls suddenly knelt down before grandma to begin her to adopt them as her daughters-in-law, for they felt that they were now grown-ups and that it would not do to travel on in company with the party who were not their relatives. And, moreover, where could they find their own family at such times? Would it not be better for them then and there to be united with the family by marriage?

This sudden appeal from the two girls was not at all anticipated by grandma, and she did not hestitate to dissuade them from insisting upon carrying out their intention. But the two girls had already made up their minds, and, kneeling down again to implore for a second time, refused to get up. Faced with this situation, grandma could not but go to consult father's opinion. Father was straightforward, and he refused all the more to comply with a request, which by its very nature, would place him under suspicion.

When grandma had said all that she wanted to say, father very solomnly andfirmly replied, "No matter how, this is a matter I positively cannot comply with."

But as chance would have it, the party met the two girls' parents on the way two days later. The girls were given over to their custody, Needless to say, they were greatly overjoyed at the reunion with their parents, while grandma and father felt much relieved over the burdensome affair.

Thereafter the whole family fled to a ruined temple in a remote village where they lived for a considerable period of time. It was a most trying period the family underwent, for there was hardly the wherewithal to exist. After meeting with reverses, father finally became employed as a domestic in the family of the Changs. It was the time when father served formally as a manual laborers and the event marked the beginning of his career as a soldier.

The Changs were landlords, and they had two sons. The elder Changs had looked forward to the time when their sons would bring honor upon themselves by the performance of some deeds and uphold the tradition of the family. To that end they had before father's arrival engaged a private boxing instructor to train their two sons in weightlifting, archery and the like.

The sybaritic life of the young Changs was, however, not different

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from that to which the children of wealthy families have been accustomed. The dresses they were were wrought in exquisite silk, satin and other costly materials, and chicken and duck, pork and fish formed the chief items of their sumptuous meals. They were late risers in the morning, and when awakened, would merely make those deep threaty greans, but they would remain motionless in their beds.

By nature brave, father had a strong inclination for the pugilistic art. The failure of the young Changs to take advantage of the presence of their instructor to improve themselves caused father to feel a sense of great loss, and being desirous to learn, father would often approach the boxing instructor to give him a few lessons in the boxing art. He would, in his leisure hours, apply hisself with sodulity to weight-lifting, and archery. This so impressed the instructor that, knowing father to be poor but ambitious, he became even more earnest and glad to give father instructions. Already having a sound foundation to start upon, the training after a time greatly improved father's mastery of the art.

The date for examination came. Father was ordered accompany the young Changs and carry their luggages when they set out for the examination. It is not known by what piece of luck that father also became eligible for the examination.

Taking their turns at the examination ground, the Changs each applied themselves to the bow and arrow. Each discharged three arrows, all of which failed to hit the target. Needless to say, they failed also to qualify themselves in weight-lifting. Their ears and faces were of a crimson red as they left their appointed places. The result of their trials was that they not only failed to distinguish themselves, but they were totally eliminated. But it was not surprising that, not having exerted themselves in the least, and moreover having been very much pampered with, they should have acquitted themselves poorly and brought disgrave upon their parents.

When father took his turn, he accurately directed all three arrows at the target, and also qualified himself in weight-lifting. This was really not what he himself had expected. Long since having suffered hardship, father was able at the time to feel a partial mitigation of the griefs caused to him by the frustration of desires.

Father's qualification as a "wu hsiang" (note: in the old days a sort of village boxing instructor) really caused great hardship to grandma. It is interesting to relate the way this happened.

When father was employed as a domestic, grandma had gone back to live in the native village, There was really nothing of the native village that would cause reluctance to leave it, except that it was casior there to make a living. Among strange people and strange surroundings, it was more difficult to make a living. It was in consideration of this fact that decided grandma in staying apart from father.

After father's qualification as a "wu haing" a courier hastened himself that very night to our native willage with the good tidings. During the Ching Dynasty when official examinations were held, the couriers made a living by bearing back good news to the relatives of the successful candidates. Each time when the results of the examinations appeared on the public boards, the couriers would pick out the names of the successful candidates, note down their native villages, and post haste hurried to their chosen destinations to report the good news. The couriers who arrived at their chosen destination first would be handsomely paid, those following after with second or third-hand information naturally would get less and less for their information.

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It was but natural that the relatives of successful candidates, overjoyed at the good tidings, would become willing to pay money to the couriers. The courier who brought the tidings to grandma, it so happened, did not enjoy good business. When he arrived at our village, grandma, bare-footed and with the trousers up-turned at the legs, was busily planting rice, and anyhow, it had not occurred to her that her son could have won distinction in the examination.

The courier had enquired for grandma for a considerable time before neighbors found and brought her back from the rice-fields. When grandma arrived at home, the courtyard was already thronged with a big crowd, and when they saw her approach, they milled around her, shouting to her their congratulations and saying to her that thenceforth hardships were to cease and happiness was to begin for her. They said a great many words of felicitation, until grandma hardly knew what to do for the greater part of the day.

The proverb says that only you yourself understand your own difficulties, and grantma alone knew what her difficulties were. While all of them were complementing and felicitating her most enthusiastically, they hardly thought that every word they said was administering to her a nervous shock and piercing deep into her heart. In the midst of their laughter and hilarity, grandma began to weep. The family was penurious. It was even a problem how to obtain two meals in a day. And what could she have to entertain the courier? When good tidings came to the family of the poor, it was really a problem, most difficult to deal with! Fortunately, Feng Wen-huan's grandma (a weman of our clan) perceived the serrows which were concealed within grandma's heart, and hastened to her home, where, after gathering a few chickens and several catties of rice into her dress, she presented them to the courier on grandma's behalf. But the courier felt greatly dissatisfied, and it was only after the neighbor villagors had persuaded him that he went away greatly to the relact of grandma's embarassment.

Although father's qualification as the "wu hsiang" was not to be regarded as a big affair, it however, brought a great change upon his livelihood, and that change was pertenteus of the times, and was not purely accidental.

(To Be Continued)

# SOLUTION OF CHINA'S NATIONAL PROBLEM

WE THE THE WALLEST TO STREET

By Sheng Yuch

Internal unity and mational liberation are but two phases of the same problem: if there were not internal unity, there could be no concentration of strength, and the foundation for achieving national liberation would be absent; conversely, if we do not achieve national liberation in order to secure national independence and preserve outeritorial integrity; our internal unity will not be complete, of even if national unity were achieved, it would not be possible to guarantee it for long. Therefore to achieve internal peace and to deal with external problems are two questions intimately related to each other, and to speak of them as two separate questions is a grave error.

Regarding internal unity, the foundation for a preliminary internal peace has been laid in recent years, when carril wars came to an end. These two problems have been great obstacles to the achievementment of China's national unity; although the preliminary problems regarding them have been solved, it cannot, however, be said that the problems are now totally non-existent.

For example, in regard to national movement for unity, the question is still causing us some uneasiness. Since time immemorial our nation has been made up of different peoples, who have for the past several thousand years been in conflict one with enother. The relations between our different peoples have not yet been normalized. Although we have passed through two major revolutions, our national problems have not yet been adequately solved. Regarding the 1911 Revolution, the manifeste of the Third People's Congress of the Kuomingtang stated, "The object of the 1912 Revolution is to put an end to Manchu policy, of exploitation on the one hand and on the other hand to check the foreign Powers'dismenberment of China. Unfortunately, after the fall of the Imperial Government, Oninese militarists have emerged in her stead; the foreign Powers have also assisted the militarists to oppress the Chinese people on the one hand, and on the other changed their policy of dismembering China to a joint control of China. Also, the foreign Powers' military aggression in China has given place to peaceful economic penetration. The result of this change is that no progress has been made in the economic status, the political and educational status of the people of Mongolia, Tibet and Sinkiang. Fortunately, the evil influence of the Chinese militarists have been got rid off, and the Chinese people should now unite themselves under the banner of the Three Moople's Principle in order to achieve our aim of driving away foreign Emperialism.

The 1911 Revolution has now become a relic in Chinese history, and nothing more will be seid here about it. But whether the Second Revolution between 1925-27 has achieved better results and tended to solve the Chinese national problems, is a matter regarding which different people will hold different views.

The "Ta Kung Fao" in an editorial dated April 8, 1937, stated:
"Dr. Sun Mat-son has been the first to form the Chinese Republic, but unfortunately, only more lip-service has been rendered to the cause of Chinese nationalism. Ever since the time of the Feking Government until the present, although the policy in regard to the administration of the people of the Chinese dependencies has varied in degrees at different period of time, yet the main aim is to keep the people of those dependences from any ting rebellions, and to preserve peace along the frontiers .... The Tibetan-Mongelian Yuan of the Peking Government and the present Mongelian and Tibetan Affairs Commission both have the same purpose of merely keeping friendly relationship

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By Mittm 0, Sustain NARS, Date 12-18-75

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with the dukes and the Lama potentates. Whatever progressive measures that have so far been adopted are merely for the purpose of exercising some control over these dukes and Lama chiefs; these measures include the assimilation of Chinese culture among them .... Whether this criticism be just or not, there can be no doubt that, by impassionately judging the present critical Chinese national problems, the peoples of the dependencies have shown a gradual tendency to fall apart from us.

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In an interview given recently to the "Ta Kung Pao" by Mr. Li Tang, who has just returned from Tibet, it was openly stated that "The inclination of Tibet towards Great Britain has been made unavoidable by circumstances. To bring about a change it will be necessary to await the influence of the Central Government. If the Central Government is unable to bring about a change to the environmental circumstances of Tibet but shall await Tibet to take the initiative in that direction, then very probably the Central Government will be faced with the an international controversy." Apart from Tibet, Outer Mongolia's secession from China, the special circumstances faced by Sinkiang, and the revolts of Prince Teh are evidences of the extraordinarily critical state of Chinese national problems. Moreover, these minority races are scattered along our frontiers. The foreign Powers have long cast their covetous eyes upon the outlying province, and if we fail to devise early measures, and adopt a rational national policy, there will be no possibility of the peoples of these dependencies in consolidating our national defenses. Our national unity and territorial integrity, it follows, will thus be difficult to safeguard.

On the other hand, it is necessary for our various peoples to unite themselves for preserving our internal unity and our territorial integrity and to oppose the dismemberment of China by the aggressive Powers. China's failure to achieve an early unity has been due primarily to the foreign Powers lending assistance to Chinese militarists within their respective spheres of influence, thus precipitating propracted internecine warfare; on the other hand the different foreign Powers have sought to foster dissenssion among the different Chinese peoples so as to break unity among them. Moreover, the respective foreign Powers have styled themselves the saviour and protector of races other than the Han, and by this means they have sought to enlarge their influence.

The military occupation of Manchuria by Japanese Imperialism and its exploitation of the Koreans are examples -- the Japanese have instigated the poverty-stricken Koreans domiciled in China to carry out anti-Chinese measures, and have claimed themselves to be the "protectors" of the Korean interests, in spite of the fact that in Manchuria the Japanese are very severely exploiting the Koreans.

The Manchus who had ruled over China for a period of 300 years, have left behind only a small number of bannermen in a number of citics and towns in the hinterland of China. In spite of this fact which is still a fresh example, the Japanese are claiming themselves to be the reviver of "Manchukuo"; but in actual fact the people in Manchuria are largely Chinese, and there exist probably merely a sprinkling of Manchus.

Recently, Japanese Imperialism further extended its greedy claws towards Mongolia, and under the slogan of "Greater Mongolia" has sought to detach another portion of China's territory. Although Japan received a setback as a result of Chinese resistance in Saiyuan, we have, however, not make a clean sweep of the Mongolian bandits, who are thus enabled again to secure a breathing speel and reorganize their men and make a further enslaught against us. The situation is further

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aggravated by the present military operations in China proper. The real facts of the "Mongolian Policy" of Japanese Imperialism is that the Japanese are instigating the discontented elements among the Mongolians to oppose the Chinese. But Japanese Imperialism is not alone in resorting to this method of instigating the minority races and the non-Han races in order to dismember and enslave China; other foreign Imperialist Powers have done the same. French Imperialism too, has embarked upon the policy of "first creating dissension and then controlling" to extend its influence in Yunnan, Kwangsi and other places. British Imperialism too, has utilized the Mohammedism and organized the so-called "Imperial Mohammedan Kingdom" in Sinkiang where British Imperialism also has assisted the Mohammendan militarists in internal strifes, and instigated the Mohammedans in south Sinkiang to revolt and to establish bogus governments. Although these efforts have failed, British imperialistic ambition has been pursued persistently; British influence has been strongly entrenched there. Thus has been placed an obstacle to the promotion of better relations between China and Tibet, an obstacle which must necessarily be removed at all cost.

The rampancy of foreign Imperialism has been even intensified in recent years; not only the Chinese people, but all other races also have been exploited and oppressed. Owing to their backwardness and historical effects of Chinese national policies towards them, these other races have probably felt all the more keenly than the Chinese people the impediment that confronts them in their efforts towards national unity and independence as a result of the influence of foreign Imperialism. But for the same reasons, this consciousness has been slow and difficult in developing; for it must be remembered that seldom are they presented with the cutward symbol of the might of foreign Imperialism (such as big guns). Moreover, the people of these Chinese dependencies have been driven far from China and are living, most of them, among the mountain sides and leading a primitive life. Such a condition has reverted to the advantage of foreign Imperialism, for those backward people can be easily utilized to oppose the Chinese revolutionary movement and the movement for national revival of the past years. Napoleon III had likewise utilized the racial problems which remained unsolved during the 19th century for territorial expansion in Europe. Likewise, the foreign Imperialistic Powers have sought the dismemberment of China by utilizing the present unsolved Chinese national problems. Such a process of dismembering China will further intensify the decline of the races of people other than the Hans, and make for their further exploitation. The policy adopted is that killing two birds with one stone; on the one hand they are enslaving the various minority races and instigating them against those who are working for their liberation; that is, they are being instigated to oppose revolutionary movement and the national revival movement lod by the Kuomintang.

In this manner international Imperialism has penetrated farther into China and by utilizing the unsolved Chinese national problems, has sought to intensify its policy of swallowing up China. For this reason, it is necessary for us to adopt an adequate national policy for the solution of Chinese national problems in order to check the efforts at the dismemberment of China. An adequate national policy not only will serve to unite all the Chinese people and the other races for national unity and national liberation, but will serve also to raise the banner for the revolutionary struggles of the oppressed eastern peoples and gain their sympathy for us; they shall thus become our friends in our struggle against foreign Imperialism. Under present political conditions, it has become necessary to combine resistance against foreign aggression with the work of up-lifting the weaker races of people. Unless we convert the weaker races of people from becoming reserve forces of Imperialism into the central force of the movement

for national liberation, we shall fail to overcome Imperialistic aggression; furthermore, if we do not resist aggression and thereby protect ourselves, there can be no possibility of our up-lifting and protecting the weaker races. The up-lifting of the weaker races is the sacred mission of the Chinese people. Dr. Sun Yat-sen had said: "Outside of Japan, all the other Asiatic races are being oppressed, and all alike have suffered; in future it is certain that they will unite to oppose the aggressor nations." (See San Min Chu I, Lecture 1). Only by thus uniting the oppressed races can we overthrow the colonial rule of Imperialism. Dr. Sun's advocacy of nationalism has a number of interpretations: first, China must achieve national liberation by her own efforts; second, all the races within China must be accorded quality; third, after realising the first two objectives, we should proceed to help the oppressed races in both the

In short, there are two aspects to the Chinose national problems: one is that the national revival movement and the Chinese revolutionary movement under the Kuemintang should embrace all the minority races, that is, the broad masses of the races; this is the more important aspect. The other is that the foreign Imperialistic Powers have sought to utilize the minority races who have been exploited by the Chinese to achieve their aim of dismembering China, and to thoroughly enslave China. The significant meaning of the Chinese national problems is to be sought precisely in this latter aspect. China's national unity and liberation and her defeat of foreign Imperialism lies in the fundamental solution of this problem.

(To Be Continued)

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Department of State letter, August 10, 1972
By Mitt D. Sustain NARS, Date 12-18-75 SOUL OF CHINA'S NEW ARMY - To the aviator, Huang Pao-san -By Chow Chen-chou If anyone should ask me : "In which direction has China made the most rapid progress in her history of reconstruction in the past fifty years?", I should answer simply and firmly: "The most rapid progress ever made by China was made in her air force, especially as regards the spirit of the Chinese aviators." What I have said rests on subjective observations. The statement is partly based on the unprecedented heroism displayed by the Chinese air force since the Mukden Incident of September 18, 1931, but mainly on the personal impression which one of the many aviators made upon me. It must be pointed out in the very beginning that the spirit of all Chinese forces is high and that every Chinese soldier is courageous and determined to die for his country. As to the air force, tourageous and determined to die for his country. As to the air force however, it must be mentioned that they are fighting more or less separately from the others. They depend more upon themselves - their own initiative and their own decision - more so than the land and naval forces. Discipline and firm decision to die for the country are more important to the aviators than to any other troops. The sacrifices of our aviators deserve all the more our respect and admiration. Reading numerous stories in the papers in recent days about the heroic sacrifices of our aviators, I become more and more attached to my late friend Huang Pao-san and his sacrifice for our country. At the same time, I realized more fully the importance of our air force. I believe that if I can succeed in putting into words the impression which Huang left in my mind, even our enemies will have to recognize the spirit of the new China, the spirit which cannot be conquered by samed force. armed force. When I first saw hero Huang - and there can be no doubt that he deserves this title - he had a big hele in his forehead, filled with cotton wool and medicaments. His head was almost completely bandaged. About one week before our meeting, he had fallen from a height of 500 feet. He lost much blood due to the accident but his appearance remained that of a strong and vigorous man. Square shouldered, broad chested, as he was, he looked like the very spirit of resistance. He would never surrender. He would never be conquered. He came to Shanghai in order to receive an X-ray examination at the Chung Shan Hospital. He also wanted to have a few teeth, which were bothering him pulled out. It was at this opportunity that he gave me a description of the accident. He said: "Under instructions of the school authoraties, a school-mato and I went to Foochow to participate in the ceromony of presentation of airplanes in honor of General Chiang Kai-shek's fiftieth birthday. After the demonstration in Foochow, without having had any rest, we were ordered to return to Hangchow to fly in formation for inspection by the Generalissimo."

"It was with great enthusiasm that we expected the inspection by the Generalissimo. Even if we had not been ordered to return immediate-ly for the inspection, we would have liked to hurry back to participate

in the exercises," continued Hero Huang, full of spirit and enthusiasm.

"It was dawn when we took off from Foochow. We hoped that the weather would be good for the trip. When we radiophoned to Hangehow for instructions before our departure, we were told to hurry back as soon as possible if the weather was not absolutely forbidding. On the one hand we wanted to obey orders, and on the other we wanted to demonstrate that we had no fear of difficulties, so we took off and said to ourselves that we would land when we found it absolutely impossible to fly on."

"The weather was really vory bad. No matter how high we climbed we could not see our way clearly. It was especially dangerous because of the mountaneous ranges in Fukien. Knowing very little about this particular line, I landed in a certain district not far from Foothow.

"As the only mechanic was travelling in my plane, I wondered where my school-mate could be. I radioed to all airdromes on the way, but no news could be obtained about his whereabouts. Fearing that he might have had a forced landing somewhere or that he might have not an accident of some kind, I took off again with the mechanic and tried to locate my school-mate. I told myself that everything would be altright if I could find my school-mate, and if possible I would try cautiously to fly to Hangchow. If my school-mate managed to get to Hangchow, I should not lag behind.

When I reached the Shinghsialing (countain) donse fog entirely covered the high peak in front. Before I was able to realize the dangerous situation, my plane hit the mountain.

"Having fallen from a height of 500 feet, it was a surprise that I was still alive," smiled Huang. "We must have been thrown out of the plane during the fall, otherwise we would have been burned to death. The mechanic woke up first, and found that we were several scores of feet away from the burning machine.

"Gradually and with terrible pain, we tried to move away from the burning machine. After five hours of walking which had to be done in a condition of the utmost pain, we had not yet met anybody in the wilderness. I even asked my comrade to shoot me, so that I would not suffer the pain any more and that he could go on more rapidly to receive medical attention. Later, however, we were discovered by soldiers stationed in the area. Thus we were saved."

when Hero Huang told his story he sighed: "I was only sorry that because of my stubbornness the Government lost a good training machine." The other plane met the same fate as he learned later on. The pilot was also saved. This shows that both of them were daring, and not afraid to face any difficulty or danger. As a result, they failed to consider how servious can be the problem of weather in aviation. This accident will always serve as a good lesson to young Chinese aviators.

After one month of recuperation in the Chung Shan Hospital and after having had his deficient teeth pulled out, Huang and I went together to Soochow for a rest. On the train we talked about the working conditions of aviators. As a teacher of the aviation school, Huang received a salary of \$150 a month and did not complain. His attitude deserve admiration and should move everybody. He said that he joined the air force to serve the country and not to make money. If too much were paid to aviators, it would not only destroy the fighting spirit of the young men, but also add to the financial burden of the Government.

In Huang's every move one could see the spirit and discipline of the aviators. In the train he gave his seat to an aged man, and stood during the whole trip to Socchow. On the entire journey, he refused to indulge in any kind of extravagance. He was a model of Chinese soldiery. Whenever I recalled the foreign marines continuously fighting with girls, I could not but admire the spirit of China's new soldiery. They realize that their country is suffering under the iron heels of the Imperialists. They know clearly the position of their country. In Huang Pao-san I found the beautiful and precious soul of China's new army.

In the new army we find not only the strong determination, hard as steel - to fight for the country, but also a special characteristic of the old Chinese civilization - tenderness.

I recall that when Huang and I went to the Soochow Railway Station to meet his wife, his stern face failed to hide his inner happiness. Unfortunately, his wife failed to show up, which might have been due to the rain, When we were passing by a police station, in our carriage while returning from the station, he alighted and put through a long-distance call to his wife, asking hor to come to Soochow for a visit in spite of the rain. Fearing that I might laugh at him and think him childish, he said: "Pao Chen (his wife's name) likes Soochow best. But she couldn't come without bringing the baby. Unless I persuade her, she would not come. That's why I telephoned her a minute ago and asked her to come with the baby." Although I kept my mouth shut, I said to myself that he could not be without his wife! I feet sad in reaalling this scene. My friend, how could I know that within six months you would depart ance and for all from your beloved ones!

After our return from Soochow, we parted. The picture of the lovely couple with a strong six-month old baby is still fresh in my memory.

When I met Huang the next time, it was after the outbreak of the Sino-Japanese hostilities in Lukouchiao (July 7, 1937). He and his comrade were discovered by me in a room of the Yangtze Hotel in Shanghai. He was strong and active. His looks told as immediately that he had found the opportunity to serve our country. All of them were lovable, active souls of the new China. When we past Garden Bridge, looking beyond to the north of the Soochow Creck, I said to myself that by these persons, a new page of Chinese history would be soon written!

Their activities in those days were mysterious to me. As an outsider, I was not informed of their plans. When I saw Huang the last time, he said: "From now we part. We do not know when we shall meet again."

Knowing perfectly well what the answer would be, I said: "Judging from the present situation, there is no chance to avoid a major war!"

"The Central Government wanted peace. China's attitude is the same as five years ago. Military circles don't expect the outbreak of a war at the present time. It is because of our attempt to avoid the war, that the enemy is threatening us with armed force. Therefore the decision of the Central Government, which is supported by everyone of us, is correct. And that decision is to adopt resistance for self-defense. We shall be stationed very near Shanghai."

After that handshake, we should never see each other again. On the fateful day of August 16, he died near the Kashing station.

On the eve of August 13, I received a letter from Huang's wife, delivered from Hangchow, telling me that Huang was to be stationed in the Wu-han cities for the defense of Central China, not in the Shanghai front. From her letter I saw clearly that she feared that he would die soon! When reading the letter I was greatly moved and felt very sad, an experience which could only be made in this way in war time.

August 16 is, a memorable day: To make clear my point, I cannot do better than to reproduce here a letter from Mrs. Huang. It is a letter which every Chinese should read with sympathy and respect.

"On August 16, in the afternoon, Pao-san died after a combat with enemy 'planes at Kashing. Only when we received this news we found out that he was merely trying to comfort his folks by pretending to be stationed in the Wu-han cities! I tried to cry but there were no tears. Two months have elapsed and I am trying to write you this letter but every time I stopped because I do not know what to say. I cannot believe that Pao-san, the strong and active Pao-san is no more in this world. I am still waiting, waiting that he will come back after the end of the war!

"The degree of training which he had received in the aviation school was highly praised by his superiors. They believed that he could take care of himself. The incident on August 16 was due to his being outnumbered by enemy planes. According to eye-witnesses, only a few Chinose planes were left in the airdrome when Japanese planes staged a raid. Disregarding his personal safety, Pao-san took off immediately and engaged the enemy 'planes in the air. According to the teachings of the Generalissime, he could not protect his own life and likewise serve his country at the same time. He was determined to be destroyed like a "broken jade vase rather than to remain alive as an intact tile made of mud."

"Two years ago when we were married, I realized what it meant to marry a young officer. Relatives advised me that it was a mistake to marry an aviator. I had never, however, given a single thought to the danger of Pao-san's profession. It is foolish to entertain any such thought and it is disloyal to the country to think of it.

"That Pao-san died for the country was no surprise to me. He was strong in determination and would never stay behind. He rather would choose death than disgrace. When the air force enlisted the date-to-die corps, his name was listed among the very first. Undoubtedly, he knew very well that I was able to understand the situation and would not take it as hard as an ordinary person.

"However, I cannot but regret that he failed to understand me thoroughly. It was unnecessary for him to tell me that he was stationed in Wu-han instead of on the very front. Had I know that he was fighting on the front, I would have gone there to nurse his wounds and would not have been left at home to wait for the report of his death!

Pao-san fulfilled his duty. My heart is like this city of Hangchow. Everyone has moved away for safety. It is empty. I planned not to move away and thought it best to die with this city. But how could I wait and see the cruel enemy come to kill the son of my husband?

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Department of State letter, August 10, 1972
By Mittin D. Austoff NARS, Date 12-18-75

"In the next few days, I shall leave. My parents-in-law are now staying in Nanking. I have no news about their safety. My son is their only grandchild and I will have to take care of him. When he grows up he will be another aviator for the country!"

No word in this letter can be read without tears. When I write these lines, I feel so moved that I cannot go on. I pray that the souls of our dead heros shall urge us to work double as hard to save this country.

Translated from "Yu Tsao Fung" (World Currents) January 1, 1938.

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By Mittin D. Surger NARS, Date 12-18-75

# CAM SOVIET RUSSIA HELP CHINA?

By Chin Che-hua

(Continued from last issue)

Part III. Under What Conditions Can Soviet Russia Help-China?

To answer this question, it is necessary first to know why Soviet Russia has up till the present shown tolerance and not resorted to open war against Japan. Ever since the Manchurian Incident, Soviet-Japanese relations have been very much strained; every incident which had occurred and involved the two nations since then, however, has been solved through diplomatic channels by Soviet Russia. Although Japan has time again attempted to provoke a war with Soviet Russia of course, many times Japan's attempts in that direction has been made with a view to easing the international situation with which she has been confronted, and also to utilize such attemyts as a camouflage for her aggression in China -- she has never succeeded yet in causing Soviet Russia to come into open conflict with her.

But no one can deny that the two countries will fight each other some time in the future; at the conclusion of the Sino-Japanese war in 1905, Mr. Harrison predicted that the two countries would again fight each other at some future time, but Mr. Harrison's prediction brought some laughters among American political circles at the time. No one during the past few years has not been concerned with the possibility of a Soviet-Japanese war. That the two countries have up till now not come to blows can be explained at least by the following reasons:-

- (1) Soviet Government is trying to prepare itself to the fullest extent; she has seen how Tsarist Russia got worsted by Japan owing to inadequate military and naval preparations. Hence Soviet Russia is willing to abide by her time. The First Five Year Plan was intended to lay the foundation for Soviet victory in the coming war; the Second Five Year Plan has been carried out with the object of consolidating Soviet military-economic strength by which it is hoped to gain for herself a strong position in the international political sphere. Soviet Russia, then, will not go to war without first feeling sure of her own preparations.
- (2) Not until Soviet Russia has completed her military defense works in both the Far Eastern sector and the Western Front will she be prepared to go to war with any country. That is to say, she must build up and complete her defenses to deal with possible attacks from the Mast and from the West sumultaneously.
- (3) The war that is to come will not involve the military and economic phases alone; it will be complicated by the fact that Soviet Russia is alone in representing a new social order in contradiction to the Capitalistic fabric of the other countries. Casting her eyes about, Soviet Russia perceives that she is surrounded by potential enomies in the capitalist world; and she is politically quite isolated, she has felt. Soviet Russia would find herself in a predicament if she failed to cement friendly relations with some other Powers who are disposed to be friendly with her; this will be especially so when she goes to war. Thus from an objective standpoint, the fulfilment of the above conditions are important for Soviet Russia in going to war with another country.

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(4) The present domestic conditions in Soviet Russla are not favorable to her going to war with another country. The country has undergone an internal crisis since the purging of reactionaries year before last. The first great crisis of this nature was that involving Genoviev and Kameneff as the central figures who had plotted and conspired with the Fascist secret intelligence service to murder Stalin and other high Soviet officials. Kirov, an important Soviet political figure died a victim of their conspiracy. This crisis reached its climax during August, 1956, reportedly as a result of machinations by the Trotskyites. The second crisis developed out of the activities of the German secret agent, Rikorin (?) who had attempted to wreck the Soviet coal-mining activities sometime in November, 1926. A great number of Soviet workers were instincted, and for a time expressed their animosity towards the Soviet authorities.

Nine counter-revolutionaries were arrested subsequently, including the German secret agent.

The third crisis was the most important of all; and it involved 17 important figures whose trial at Moscow lasted from January 23 to 29. Not only were the arrested men engaged in disturbance of Soviet peace and order, and the wrecking of Soviet economic plans, but they were also engaged in assisting the Imperialist Powers to subjugate China.

Anyone of these three major incidents is enough to bring about a state of confusion in Soviet Russia at a time when she is embarked in a war with another country. Therefore, the complete eradication of counter-revolutionaries in Soviet Russia is a prerequisite to Soviet Russia's going to war.

It is precisely owing to the above reasons which Japan has also seen through, that she has repeatedly attempted to provoke a war with Russia. But Japan too, for a number of reasons, is faced with some disadvantage is she first starts a war with Soviet Russia. First, before a complete subjugation of China as suggested by the late Baron Tanaka, it will be to Japan's disadvantage to fight Russia. The subjugation of China would give Japan the necessary natural resources, foodstuffs and military strategic bases to operate against Soviet Russia. Before this objective is realized, Japan will not dare embark upon a war with Soviet Russia.

Second, before the anti-Soviet war-cry has gained momentum in the West, Japan will stand a disadvantage in starting a war against Russia. That is, Japan must first secure the full support of Western allies to undetake the job.

Thus it appears that there are reasons why both Soviet Russia and Japan each does not wish to start a war against each other.

But present-day Soviet Russia is far from being that of a few years ago; she is now fully prepared, both militarily and economically, to withstand any enemy attack. Soviet Russia Far Eastern defences, as the former Japanese premier Hirota described it, is a fearful thing. (Statement made by Mr. Hirota at the Japanese Diet, January 21, 1956) Soviet Russia's western defenses, also has been completed to withstand her western enemics, Germany and Italy. Diplomatically, Soviet Russia is no longer as isolated as in former years; her werries in this respect have been allayed to a large extent by her having entered into mutual-assistance and non-aggression pacts with a number of countries. Internally, although the counter-revolutionary elements have not been entirely eradicated, they are, however, no longer in a position to undermine the Soviet Government authorities -- both internally and externally, the Soviet Government is well on the way to consolidating its position. Soviet Russia today is no longer feeling so keenly

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the pressure of the possibility of waging a foreign war.

And what of Japan? She is also making hectic preparations for war. We can see that firstly from her intensified aggression in China, which, evidently, is a preparation for war against Russia. Japan in the current Sino-Japanese war, is bent on "beating China to her knees" and her motives are plain for wanting to do so. Secondly, the conclusion of the Tripartite anti-Communist pact has lent support to Japan against Soviet Russia. Although Great Britain has been threatened by the existence of the pact, it is in fact entirely directed against Soviet Russia. There can be no doubt that the second step, an attack on Soviet Russia, will follow from the first, the invasion of China; but in China Japan is meeting strong resistance. Japan's worries at the moment are: can she make China yield to her wishes?

Soviet-Japanese relations are heading for a critical stage; that crisis has been aggravated by the current Japanese invasion in China which has indirectly affected Soviet Russia. It is no longer an empty talk to talk about the prospects of a Soviet-Japanese war at the present moment.

But what relation has this with the question of the conditions for Soviet Russian assistance to China which we have proposed to discuss? The relation, in fact, is an intimate one; because, the relations between Soviet Russia and Japan will determine whether or not Soviet Russia can help China -- this is an important point which has often been overlocked.

Next, from the standpoint of Soviet-Japanese relations, Japanese aggression in China is also an aggression towards Soviet Resia. It follows therefore, that Soviet assistance to China to sustain the present Chinese national resistance, will be considered as Soviet Russia going to war with Japan. This is quite plain a matter; and it forms an important question as to whether Soviet Russia and Japan will come to blows.

Now that Chinese national resistance has begun, under what conditions, then, will Soviet Russia be willing to help China? Our prediction is that Soviet assistance to China will not depart from the following two conditions:

- (1) China must rely upon her own strength to resist Japan; she must cease to rely upon the League of Nations or the signatory Powers of the Nine Power Treaty. The reason is that China can never seek for truth among the capitalist Powers. Soviet Russia will have no reason to come to the assistance of China, if China still fails to differentiate her friends from her foes. China, in other words, cannot expect Soviet Russian assistance if she still believes in foreign assistance through the different interested foreign Powers coming into conflict with Japan for their own respective motives.
- (2) China must continue to resist; she must not compromise with her enemy in anyway, not even after her territories or the whole of China has been reduced to "scorched earth." The reason is that the longer China offers resistance, the greater will become Soviet Russia's advantage; for, it will weaken Japan's strength and conversely place Soviet Russia in an advantageous position to defeat Japan in the end. Protracted Chinese resistance also will afford Soviet Russia an opportunity to map out her defense plans to suit the new conditions which may arise. China would be faced with an unfortunate fate should she cease to offer resistance half way; moreover, she will lose Soviet Russian support by that.

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Tue Tunny com  $(\mathcal{F}_{\mathcal{G}_j})$  $H^{2}$  both In short, in order that China may be assisted by another, she must first show that such an assistance will be worthwhile; she must take those who will come to her assistance feel confident that the assistance to be given to her will not be "auctioned" away.

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The conditions mentioned in the foregoing are those that will pave the way for Soviet assistance to China in her resistance against Japan.

My conclusion is that Soviet Russian assistance to China to be determined by China's policy of prolonged resistance against Japan. Since prolonged Chinese resistance against Japan will revert to the advantage of Soviet Russia, the latter cannot but come to the assistance of China to that end -- Soviet Russia will have no reason to change her policy of offering assistance to China on that same condition.

Regarding the possibility of the counter-revolutionaries in Russia creating internal confusion the moment that Soviet Russia goes to war, this is not necessarily an obstacle to the Soviet authorities; moreover, the likelihood of this happening, at the present moment at least, is quite remote.

(To Be Continued)

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# CHINESE OPINIONS ON CURRENT EVENTS OF

(TRANSLATED FROM CHINESE PERIODICALS)

Proprietor and Editor: Fang Fu-an

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WANTED: A UNITED NATIONAL POLICY

By Lo Pu

During the present period of armed resistance, while all civil strife and party dispute has ceased, it is still most important that all parties and leaders of our country should discuss the problem of a united national policy. Without that, it will be difficult to consolidate the united front in the country, different persons will fight in different ways during the present campaign of resistance and each of them will be separately and individually defeated by the enemy.

Ore party or one faction or one class of people cannot decide on a united national policy. As it is to serve as the fundamental basis of co-operation, it must be discussed and decided upon jointly by all parties, factions and classes of people in China. It is my intention to discuss the opinion of one class of people regarding the outline of such a policy, especially taking regard to the forthcoming "National Peoples' Assembly." It is to be hoped that any policy decided upon by the "National Peoples' Assembly" will actually be adopted as the policy of the National Government of the Republic of China.

The fundamental principle of national policy, to our minds, must be resistance against invasion and national salvation. Without a united front to resist the invaders, it is useless to talk about the revival of the country. Neither can we, however, talk about the latter tithout the former. Therefore, the outline of our policy should be based upon the principle of national independence in the family of nations externally, and democracy, liberty and securing of the people's livelihood internally.

To achieve national independence, our first task is to fight Japanese Imperialism. It would be an idle dream to believe that we could recover our lost territories by peaceful diplomatic means. To recover our lost territories and to fight the invaders, we must mobilise our man-power and wealth as well as our military forces. During this campaign of armed resistance, all Sino-Japanese treaties must be abolished and extraterritoriality and consular jurisdiction as well. All Japanese property in China, including banks, mining companies and communication units must be confiscated. We should join hands with the oppressed Japanese, Koreans, and Formosans in order to extend the struggle. We should assist the Chinese volunteers in Manchuria both spiritually and materially in carrying on their resistance in the Northeastern provinces, thus causing disturbances in the rear of the Japanese lines.

To defeat Japan, we must rely wholly on our own strength. If we can mobilise the entire Chinese population, we can defeat Japan. This does not mean that we are isolationists. We sincerely hope that the friendly powers will give us assistance and we are willing to join hands with all countries who treat us on an equal basis, to check the aggressors. We should openly join the peace front and oppose the aggressive front organized by Japan, Italy and Germany. Based on the principle of equality, we are ready to conclude treaties with America, Great Britain, France and the Soviet Union guaranteeing the collective security of the Pacific. We want to give our support to the League of Nations in the hope that the Palace of Peace may be able to apply sanctions against the aggressors. As to the other outstanding issues, such as the abolition of extraterritoriality, revision of the unequal treaties, readjustment of foreign loans and tariff rates, we shall a dopt a policy

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of diplomatic negotiations with the powers concerned. Guided by the . principle of upholding the sovereign rights of the country to the utmost, we shall ut lize foreign capital as much as possible. We shall develop our industry as well as our national defence.

Towards the racial minorities in China, we must adopt a policy of self-determination. Under the principles of equality and mutual assistance, we should consolidate the co-operation of the different races of China. By so doing, we can expose the tricks and intrigues of the Japanese in organizing the so-called "Great Mongolian Empire" or the "Great Manchu Empire." Under these principles we shall organize all races and strongthen the united front against Japan. By supplying them with material assistance we shall make the small groups of Mongolian and Moslem leaders fight the Japanese and attack the traiters, who sell out to Japan.

As to liberty and freedom, we want to point out that at the present time of armed resistance, it is important to give them to every citizen of the country. This means that the Government must grant full freedom of speech, press, publication, assembly, organization, religious faith, occupation and residence. In addition we must allow workers as well as other groups of people to declare strikes. All political prisoners must be released. Furthermore, special attention should be paid to the organization of national self-defense corps in the country, including organization and military training of the masses. Without this, we cannot have a democratic form of government in this country. Without all this, we cannot bring about full national mobilization for our armed resistance.

The next problem is the organization of a democratic government machinery. Regulations governing the election of representatives to the "National Peoples' Assembly" must be revised so that representatives elected shall be able to represent the people of all parties, factions, and classes in the country, not in name but in fact. With such representatives; it is possible to expect the adoption of a truly democratic constitution and also to adopt a united national policy. By constitution we can guarantee equality among all Chinese without any difference as regards religious faith, wealth, sex, or race. By adopting a system of direct voting, we hope that we can organize a democratic Government and Parliament able to take care of National Defence and Production. Thus we shall have a really clean Government, without any of the corruption of the past.

The Chinese armies of today must be reorganized. There shall be no more private, provincial or warlord troops, but only Central Government troops. The present system of recruiting must be replaced by one of volunteering. In other words, the soldier shall no longer be a professional employed by the Government. To be a soldier will be a voluntary service which every Chinese will be obliged to do for his country. Political training must be emphasized to enable both soldiers and officers to understand the importance of the present struggle and to fight to the bitter end. Being so trained, the soldiers and officers will refuse to participate in any civil war in future and will only fight against foreign aggression. Cultural work must be introduced and the treatment of the soldiers improved.

We believe that the Central Government should have full power to deal with all issues. We oppose the feudalistic system of vesting power in individual feudal lords. This does not mean that we are against local self-government. A clear demarcation of powers between the Contral and local Governments will, of course, have to be made. Under a truly

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democratic form of Government there should be no friction, not to speak of conflicts, between the two. Even the local administration must have a government and parliament truly elected by the people and representive of the people.

It goes without saying, but must nevertheless be emphasized, that all provisions granting full liberty and freedom will be applied only to true patriotic Chinese. Traitors, of course, have no right to enjoy such privileges. Strict and severe actions must be taken against them and their property is to be confiscated. Special attention will be given to the livelihood of the people by this Government, free from corruption and really elected by the people. Only when improving the livelihood of the people, can we expect them to mobilize against the invaders. Miscellaneous and exorbitant taxes will have to be entirely abolished. The land tax, the system of tenancy and other problems relating to the farmers must be studied and improved. Laws must be enacted to prohibit exorbitant rates of interest in any form, at present universally applied in exploiting the poor farmers. Cooperative societies, bureaus for the readjustment of food supply and consumption, as well as other institutions for the development of agriculture must be organized. Seeds, agricultural implements, farming animals, forestry and other works aiming at the general improvement of agriculture must be introduced. Uncultivated land should be handed over to the refugees and work and a livelihood must be provided to everyone. Working hours must be limited to a maximum of eight hours a day and special attention must be given to children and women workers.

The survivors of soldiers who laid down their lives in this campaign of armed resistance and the survivors of others who died in the war, must receive ensions. The aged, the cripples and all those who cannot make a living on account of some physical deficiency, shall be taken care of by the Government. A complete and thorough plan of cooncaic reconstruction should be worked out by the Government. The control of all economic activities should be concentrated. The native industries ,ust be specially protected and the Overseas Chinese encouraged to invest their money in China. The currency and financial system of the country will have to be further improved.

Last but not least in importance is the problem of cultural activities. To increase the political consciousness of the people, we must improve the educational system of the country. Free education must be given to all children of school age. Unemployed young men and women must receive supplementary education free of charge. War-time education must be the principle of all schools and colleges. The treatment of teachers must be improved and special professional and vocational institutions must be organized. Special rewards should be given to inventors.

These principles relating to the independence of our nation, the political rights and the livelihood of our people must be included in a national outline of Government policy. The realization of this united policy means the success of our movement of armed resistance. In conclusion we must point out that these principles were taught by Dr. Sun Yat-sen and are embodied in the San Min Chu I. It is the duty of everyone to give his support to the San Min Chu I. Let all of us work for its realization to save our country.

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FENG YU-HSIANG

- An Autobiography -

(Continued from -last issue)

Since the Opium War in 1840, China's seclusion for several centuries past could resist no longer the military might of Imperialism, and she was compelled finally to throw open her doors. The deluge of international capitalistic finance into China brought rapid changes upon China's political, economic and social fabric, while the feudal everlordship of the Ching Dynasty was already in the period of her sunset, and drawing to a close.

The beginning of th. new spoch manifested itself in the widespread rural chaos and the breeding and extension of new political conflicts. The revolution movement engineered by Hung Hsiu-chien and Yang Hsin-ching evidently, was a movement born of the conflicts between the internal and external political and economic forces. The peasants who were tied down to the soil, were, after coming under such a deluge and owing to the protracted war which was extending over a wide area, compelled to leave their villages to go elsewhere. The Taiping armies which started their "rebellion" in Kwangsi not long afterwards occupied Kiangsi, Anhwei, Kiangsu, Chekiang and other provinces in succession, and were engaged in fighting, with the Imperial forces along the Yangtze River valley for a period lasting for eleven years in all.

During this period the peasantry in the southeastern provinces was broken up and many of them had met their deaths, while others joined the Taiping armies, and still others were enlisted in the Imperial armies; in short, a great change had come over the living conditions of the people. A change during a period affects the country's political future as well as the living conditions and all the other activities of the individual.

The full meaning of the period, however, was not grasped by those individuals whose very existence was bound up with that change. Father's aimless wanderings, his becoming a laborer and his qualifying for the "wu haing" as a stepping stone to the army, was a clear example of the lives of the peasants at that period. His departure from the rural society, as he would regard it, was probably due to no other cause than the pressure brought to bear upon him by the difficulties of making a living, and the underlying motive which actuated him to improve himself; he hardly realized, needless to say, the full social significance nor the subtle undercurrents of the period.

Father's becoming a "wu hsiang" was pivoted to his joining the army. He first joined the army led by General Liu Ming-chuan, one of the Huai generals (river of Huai in Anhwei Province) who became well-known in the latter years of the Ching Dynasty. When father first entered the army, he was a sort of messenger, but he gradually received his promotion to become a "siao chang" (a "siao chang" commanded 100 men, according to the Imperial regimental system.)

At the close of the Ching Dynasty, the Imperial overlordship underwent a complete disruption. When the Taiping rebellion ceased, bandit activities became rife in the provinces of Anhwei, Honan, Shantung, and Hopei. Not long after, there followed a resurgence of Mohammendan insurrections in Shensi and Kansu provinces. These facts testified to

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the corruption and inability of the Manchu Government and they were the result of Manchu oppression. The Manchus not only had brought about the revolts and revolution of the Chinese, but they also drew to them the hatred of the other races of people who now began to resist the Manchu rule.

Although, fortunately for the Manchus, the Shensi and Kansu Mohammendan insurrections relapsed into normal, the remnant forces at work gradually penetrated into Sinkiang. In view of the situation, the Imperial Government sent Tso Tsung-tang to Sinkiang to become Tupan; father also went along with the army which was detailed to Sinkiang from the Northwest. At that time the military equipment was pitiably primitive, while the soldiers were treated not unlike hogs and dogs. The army trudged through several provinces in their long march; Sankukwan at that time having no military outpost, the army was given at once eight days' ration, consisting entirely of sweet potatoes, which the soldiers had to carry upon their backs by themselves. From China proper to the dependency of Sinkiang, the route is covered with yellow sands stretching for thousand li in length. The journey proved to be most exhausting and unbearable to the soldiers, c ach of whom had to carry in addition from 15 to 16 catties of the sweet potatoes on their backs. The long trudge seemed unending day after day. Throughout the journey, the potatoes were eaten aliko to appease their hunger and to quench their thirst. Such a life would be unbearable even were it to last but three to five days, as it had proved unbearable so to father and to his companions, however well-built they might be. A few days later, they felt that they could endure the journey no longer; and it was only by sheer exertions that they finally arrived at their appointed military outposts.

Father told me afterwards that since that time the sight of sweet potatoes would bring him bodily pain. Once when he was walking along the streets of Paotingfu, he met a sweet potato vendor and expectorated when he saw his wares. Acidous liquid was spat from his mouth. I was an eye witness to this scene.

When the army returned from Sinkiang, they were being sent to be stationed in Tsining, Shantung, where my father got married. My grand mother-in-law's family surname was Eu. The second year after my father's marriage, my eldest brother Chu Tao, was born, and later came all my other brothers and myself, seven in all.

Owing to difficulties in earning a livelihood, five of my brothers died of under-nourishment; my third brother also died after attaining childhood.

The army led by General Liu Ming-chuan were dissolved on the socond year after the birth of my eldest brother. Father and mother, withmy eldest brother, then returned to the South. Father intended to qualify for a "wu kuei" but eventually did not do so. (Note: "we huei" is a military status corresponding to "siu tsai" (or B. A.) scholar status.)

Father returned to Tsining four years later. From this time on, Grandma (on the mother's side) could not be found; it was only learned that a few years previously she had migrated to some other village during the general confusion. In 1932 when I was living at Taishan, I had asked someone to enquire of her whereabouts, but I was only able to find a cousin and a distant uncle of mine. My eldest brother still remembers very clearly the childhood sobrigaet (?) of my mother and half-uncle (mother's brother).

Father did not remain long at Tsining, but again joined the army and went with them to the town of Hinghsi, in Tsinghsien, Chili (Hopei) province. The year of my birth was the second year after father arrived

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at the town of Hinghsi -- the year 1882 in Autumn. A few months before my birth, insurrections among the soldiers broke out in Chosen, with the political malcontents utilising the rebellious troops to overthrow the next government, and to attack the Japanese Consulate. For this reason, both China and Japan rushed troops to Chosen (Korea) thereby creating a casus belli.

Long before that, the United States Government signed a commercial treaty with the Korean authorities at Jenchmankang, under the auspices of Vice roy Li Hung-chang, after which, France, Germany, Russia, Italy and Austria followed suit by signing separate treaties of mity and commercial treaties with the Korean authorities through their respective diplomatic emissaries. These were the factors which greatly hastened and intensified the causes of the subsequent Sino-Japanese war.

Grandma diod the same year that I was born. She was still alive and healthful the year when father and mother came down South with my eldest brother. Grandma nicknamed my eldest brother "northorn precious" by reason of the fact that he was born in the North. Grandma did not live to give me a nickname, but father, in accordance to her wishes, called me "ke Po" (Note: pao means precious" while "ke" joined with the word "chu" means official examination during the Imperial times.)

When Li Hung-chang afterwards went to Chili (Hopei) the Imperial (Huai) Army were stationed at Tientsin and places thereabout. It was then that Pactingfu became the center of the Army "wuying lien chun" concentrations) and father also arrived at Pactingfu with the whole family. For this reason, Pactingfu became the abode of my childhood and was my second native place. This is also the reason why I speak with a Pactingfu twang.

My family history as above-mentioned had served to embed my future in great difficulties and also laid the foundation of my future struggles. (End of Chapter One)

(To be continued)

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#### CAN SOVIET RUSSIA HELP CHINA?

By Chin Che-hua (Continued from last issue)

Part IV: How Shall Soviet Russia Fulfil Hor Obligations?

We can only predict as to how Soviet Russia will fulfil her obligations of helping China; for only future events can tell what form such an assistance will take.

Many have predicted that Seviet assistance to China will either take the form of munition supplies to China or Soviet volunteers' participation on the side of China in the current hostilities. It is possible that the two forms of assistance will be rendered at the same time. But such a prediction, in our opinion, is insufficient to lend weight to itself in view of the realities of the situation.

We shall introduce into our present discussion a new fact. That is in the course of hostilities in and around Shanghai, Chinese anti-aircraft guns have brought down a number of enemy planes. It was later found that many of the enemy planes shot down were piloted by airmen belonging to another Fascist country, and that the machines were not of Japanese make. In actual fact, airmen of another Fascist country have been secretly assisting Japan in the hombardment of Chinese defenses.

This fact has clearly shown that assistance to Japan by another country not only does not take the form of a dispatch of volunteers nor merely by the sending of munition supplies to Japan -- the real situation is that another Fascist country is actually sending its own airmen to participate actively on the side of Japan; a situation which has really exceeded the anticipation of many people.

This sensational fact therefore, implies that assistance from one country to another in the present hostilities will involve the active participation of the fighting units of that country which has come forward to help: hence, Soviet assistance to China will not merely involve the sending of Soviet volunteers or merely the sending of munition supplies to China; it will mean and involve the sending of all available Soviet fighting units to fight Japan. This is not impossible

Before discussing as to how Soviet Russia will fulfill her obligations towards China, it is necessary to survey the Sino-Japanese military situation as it has developed up till the present.

Byor since the Japanese occupied Manchuria, they have belittled the fighting units of China; they have considered the influence that both Great Britain and the United States of America might exert as a far more important obstacle which lies in the path of the Japanese conquest of China. But China's military strength has been improved during the past few years, Furthermore, from the troop distribution, it is impossible for Japan to keep under occupation the long China coasts. Againg Japan has hope for a decisive victory over China, whereas China, in view of her geographical condition, stands a better chance of winning a final victory by prolonging the war -- the present

war against Japan will be a war of attrition, as China has wishes it to be. It is doubtful, under such conditions, whether Japan will find it to her advantage to embark upon a large-scale war in China; and for that reason, the Japanese have resorted to heavy concentration of troops in one place, and after occupying one or two important centers, will again advance further into the Chinese hinterland. At the same time, Japan has enforced the coastal blockade and employed a large air force to act in concert with her navies.

Japan may score an initial military victory over China; but should the war be prolonged and the amphitheatre of war be extended, Japan would be exhausted, and she would be compelled to modify her present tactics for a large-scale war in China. As soon as this takes place, China will be enabled to offer stronger resistance and wipe out the invading forces. Soviet assistance to China will be positive, and will serve to increase China's power of resistance in order to deal a fatal blow to Japan.

The future development of the war, however, may not turn out to be as favorable as we have anticipated; it might be that Japan is conserving her crack troops which she will employ against Russia. If this should be the case, then the possibility of Soviet assistance to China will be minimized beyond our expectation.

But everyone knows that the more Japanese aggression in China becomes intensified, the more will Soviet Russia be threatened. The moment that China is conquered, Soviet Russia will be endangered; for, Japan will begin to attack her from the East, while Japan's allies will attack from the West. In other words, if Soviet Russia were to delay helping China with all her might, this would be tantamount to waiting for a Japanese attack upon herself at some future time. Whatever might be the future military developments, Soviet Russian help to China has become imperative. That Soviet assistance to China will certainly go beyond the mere sending of munition supplies or volunteers to China.

Will this prediction be justified by future developments? We believe so. A Japanese naval officer wrote in an article entitled "American-Japanese War - A Survey" that "if Soviet Russia became Japan's enemy, then 'Manchukuo' would be threatened by both China and Soviet Russia. Even though we were able to repulse the Chinese and Soviet Russian forces, we would still be greatly affected, as far as our material supplies are concerned, in view of the striking power from the air. Not only this, but the Karafuto mineral oil supplies would be affected. The United States of America could come from Alaska across Siberia to strike at Japan from the air. Both Great Britain and France too, would not find it difficult to come by way of Siberia to strike at Japan from the air."

Not long ago it was rumored that the "Young Marshal" Chang Hsuehliang was in Outer Mongolia purportedly to seek Soviet assistance to resist the Japanese. His aim was said to be that of recovering the Northeastern provinces lost to Japan. This might be a rumor but this is not improbable. From this it may be surmised that in the present large-scale war of resistance against Japan, Soviet Russia will not merely assist China in the manner as outlined above, but she will -what Japan should hate most -- send her air forces to wipe out "Manchukuo."

Near Vladivostok there are said to have been stationed some 500 Soviet planes which could be employed to demoralize the Japanese in the current hostilities; it could, further, be employed to attack Mongolia and "Manchukuo" which provide resources and military bases for the Japanese. Soviet help to China -- with Soviet Russia coming directly to blows with Japan -- debarring unforseen circumstances, will sooner or later materialize.

Not long ago it was freely said in Shanghai that 150 Soviet planes were being sent to China, that several tens of these planes had actually arrived in China. These planes were said to include heavy bombers and pursuit planes. It was further freely said that most of the anti-aircraft guns placed in Nanking had arrived from Soviet Russia; that, the anti-aircraft guns could fire to a height of more than 15,000 meters; that, furthermore, the cartriages discharged would each break into twos, and twos into four, and so forth when firing. Nanking's strong air defense was due to this Soviet help, it was stated in the same circles.

This rumor is certainly not very true, but perhaps the rumor had emanated from Japanese sources. However, Japan is very apprehensive of Soviet help to China. We cannot, on the other hand, declare this rumor to be entirely groundless. At the moment, aside from munition supplies to China, the other possible supplies are undoubtedly, Soviet airplanes.

The Japanese, however, had circulated the rumor that there were thirteen Soviet military officers in China who had become very active, that General Galen or Bleucher commander-in-chief of the Soviet Far Eastern forces was in Outer Mongolia and had been communicating by long-distance telephone with General Lupin, Soviet Military Attache in China. We shall not bother about the authenticity of this rumor; and even if this were true, it would not be at all strange. It is because the Chinese Government has a number of foreign military advisors; and they are not entirely Soviet advisors, but there are German advisors as well. We cannot say that Germany is helping China by the presence of German military advisors; and for the same reason that Soviet Russia is helping China. Even if Soviet Russia were helping China, it should be regarded as part of Soviet obligation to do so.

Coming back to our main subject, our impression is that there is a possibility of Soviet Russia helping China with munition supplies, with Soviet volunteers, with Soviet advisers, with Soviet airplanes and anti-aircraft guns -- even by mobilizing the Soviet Siberian and Outer Mongolian forces to render direct assistance to China which is fighting a war of national liberation. This is not impossible -- provided there are no serious obstacles.

Soviet Russia will put forth her whole might to assist China and to punish the aggressor so as to fulfil her mission of upholding peace. At present Scviet Russia is still considering this problem, but Soviet assistance to China is merely a matter of time. When the fruit is ripe, it must automatically fall down itself!

Part V. News from Soviet Russia

Soviet Russia has depended upon her self-reliance in her growth and development. In 1932 the Soviet Government began to stiffen her attitude towards Japan by busily noving troops into Siberia; the Japanese Government was deeply impressed by the progress and strength of the Soviet Army in the Far East and could no longer regard the maintenance of peace and order in Manchuria as an easy matter. The actual strength of Spriet Russia, especially at present is a matter known to many.

Some people have still not got rid of their former projudice in regard to Soviet military strength; they have declared that Soviet military strength is no more than more appearance, but this view is a grave error. During the past ten years, the ruling authorities of Soviet Russia have exerted their utmost to build up the Soviet military strength. At the present time, Soviet military organization and might

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is not inferior to that of any other country. Besides that, Soviet air forces and naval strength have both enjoyed rapid progress, in a most sensational manner. It would be most regrettable indeed, if we should overlook and continue to misunderstand present-day Soviet Russia which has a very close relationship with China. This is especially so, when it is realized that in the future both China and Soviet Russia will enter into some joint action; and it behaves every Chinese, therefore, to know Soviet Russia's actual strength. For that reason, we shall present what we have heard from Soviet Russia in regard to Soviet strength:

The world has boon swept by "economic blizzards" from the period 1931 to 1933; and in Germany the Nazis came into power, while Japan has occupied Manchuria. Soviet Russia under the circumstances, has been threatened both in the East and in the West, and to cope with the situation, she has devoted herself to strengthening the Red Army and her defences both in the East and in the West.

The growing strength of the Seviet Red Army has led to the strengthening of Soviet defences in the Far East. Originally Soviet Russia had only three divisions of infantrymen and three brigades of cavalrymen in the Far East, but after the Chinese Eastern Railway controversies, another division of infantry unit was added to her Far Eastern defence. But after the Manchuria Incident, Soviet Russia began to intensify her Far Eastern defence works and bring the Soviet army there up-to-date.

Soviet defences in the Far East at present, according to information obtained, which are under the Soviet Far Eastern Headquarters and that of the Lake Baikal military districts, include three or four regimental headquarters, from 11 to 13 guerilla divisions, two to three divisions of Cossacks, two to three divisions of cavalry units, six brigades of heavy artillery units and one regiment to six brigades of anti-aircraft corps, from two to four brigades of mechanised units, one ir force Headquarters, six brigades of air corps, one brigade of amored-tanks to upwards of six brigades of heavy armored-tankers, three brigades of military-engineers, six brigades of military railway-engineers, -totalling some 200,000 men or more, all equipped with bombers and pursuit planes, armored tanks, armored cars, numbering some 1,000 each

All these weapons of war have been brought to the Far Bastern Soviet defence sectors as a result of Japanese threat to Soviet Russia.

In regard to Soviet Far Eastern Air Force, there were only 150 planes five years ago, but this number has now been increased to from 750 to 800 planes; while there are also a number of air bases from which Soviet planes for the Far East can be fitted out. The distribution of airplanes are as follows: - the eastern defence sectors have mostly heavy bombers and scouting planes; the northern mostly bombers; the Lake Baikal districts have mostly pursuit planes. The heavy Soviet bombers are fitted out with four motors, so that, without coming down for refuelling, they can strike at all the Japanese territories that lie to the west and located within 3,500 kilemeters from the Soviet air bases. Tokyo and other important Japanese cities and industrial districts, as well as Korea and the Manchurian mainland come within the radius of Soviet air operations. Aside from the economic the military development of Sgviet aviation has made possible the swift transportation between Moscow and Vladivostock -- this latter development, the completion of the Moscow-Vladivostock airline, is very significant.

The building up of the Soviet navies is mainly for defence purposes. Hence the Soviet authorities have constructed mostly submarines for her Eastern waters. At the time of the Manchurian Incident the Soviets had only a few out-model cruisers to guard the Far Eastern Soviet waters, but today she boats of 50 new submarines, besides torpeto boats and many mine-layers, all of which are concentrated at Vladivostock. Along the coasts lying to the north of Vladivostock there are a number of torpedo boats all of which can negotiate 40 m.p.h. and are equipped with two gun holes

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitt D. Sustain NARS, Date 12-18-75

each -- these are also concentrated at Vladivostock. Other types of light cruisers and torpedo boats are also being constructed to supplement the present Soviet naval forces.

The Japanese have since called the Soviet naval force the "anti-Japanese Cossacks," and realized that the naval base of Vladivostock presents a serious threat to Japanese national defense.

At the same time, Soviet naval air force has also enjoyed rapid expansion; a number of naval air bases have been constructed along the Soviet coasts. Furthermore, the Japanese have felt threatened by the long concrete underground trenches which run through the Siberian borders to as far as the River Sungari and Heilungkiang. It is said that the underground trenches are about 5,000 to 6,000 miles long, and are declared to be impregnable but at the same time provide the Soviet Russians with a base for their attacks. The Japanese, it is further said, have up till the present been at a loss to know how these Soviet underground trenches could be destroyed, in case of a war with Soviet Russia.

So strong has Soviet defences become, that high Soviet military commanders have recently declared: "The Soviet armies can still confident of scoring a victory even if both Germany and Japan should attack us from the East and West simultaneously."

In the Western defences sectors, as in the East, Soviet defenses are as impregnable. Four years ago, Soviet western defenses centered around the Lennigrad districts; and this was because at that time both France and Great Britain's attitude was anti-Soviet, and there was a possibility of their launching an attack on Soviet Russia by way of the Polish coasts. But today it is neither France nor Great Britain but Germany and Italy who are the enemies of Soviet Russia and who will launch a frontal attack upon Soviet territories; hence Soviet western defence works are centered around the Soviet White Russian districts.

Soviet Russia has 84 divisions of infantry units and 20 divisions of cavalry units; but two-thirds of the former and nearly half of the latter are being concentrated at their western defence sectors, indicating the strict precaution taken against possible enemy attacks from Europe. Furthermore, each Soviet brigade possess 300 light machineguns and 230 heavy machine-guns (including anti-aircraft guns), and 50 artillery pieces -- or, there are about 196,000 light machine-guns and 14,950 heavy machine-guns and 3,250 artillery pieces concentrated at the Saviet western defence sectors.

On the naval side -- to cope with possible German naval attacks -- Sgviet Russia has in Polish coastal waters already planned to construct 40 cruisers of the 10,000-ton type, 76 submarines of the 5,800 tonnage / type, and three flottila fleet of 124 vessels, each with a displacement of 800 tons. Each naval fleet has at least one aircraft carrier and several flagships; while the cruisers and destroyers each carries a number of aircraft.

Soviet Russia furthermore, has a total of from 400 to 500 air squadrons, with about 5,000 air planes. According to the Second Five Year Plan, it was intended to bring the military airplanes up to a total strength of 5,000 planes, particularly in respect of pursuit planes and heavy bombers. Both in regard to number and quality of the military planes, Soviet Russia has recently made great progress. Although we have no information regarding Soviet air defences in the western sectors, we are inclined to believe that they are not inferior in strength to those in the Soviet Far Eastern defence.

Moreover, the  $S_{0}$ viet "Voroshilov" lines extend for several hundreds of miles from Lenniggad to Central Asia passing through many military districts.

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By Mitter D. Sustafan NARS, Date 12-18-75

The strength of Soviet military defences as outlined above are not at all exaggerated; only by persistence and energetic planning that Soviet Russia has been able to strengthen its fortifications and achieved the present admirable results.

Such a powerful nation as Soviet Russia, the speedy with which she has developed herself, has outdistanced all the other capitalistic countries. Indeed, Soviet Russia's rapid development has caused nervousness among the other capitalistic countries. Japan's present aggression in China is partly due to this fact also -- for the longer she waits, the worse would be for her to deal with Soviet Russia.

A journalist who recently returned to China from Soviet Russia has declared that there is no Soviet citizen who does not know how to use military weapons -- every Soviet citizen is a trained soldier. It has also been said that many of the Soviet citizens are good marksmen. The fact is that every Soviet citizen shoulders the responsibility for defending Soviet Russia and for upholding world peace; under the leadership of the Party, every Soviet citizen has been given the maximum development as a citizen.

From the facts about Soviet Russia may be drawn the fact that only by relying upon themselves can we be sure of ourselves; and only those who rely upon themselves and who do not committ aggression in the country of another are the most just people of the world.

A Soviet Russia in power is the only invincible enemy in the Far East to Japan; she will be the only prop to China, especially in the present Chinese resistance to Japanese aggression in China. -- END

Translated from the pamphlet entitled "Can Soviet Russia Holp China" written by Chin Che-hua.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mitty 0. Sustain NARS, Date 12-18-75

# CHINESE PRESS COMMENTS

THE JAPANESE DIET

Ta Kung Pao, Hankow, January 25.

The Japanese Diet opened its session on January 22, notes the "Ta Kung Pao" in an editorial on January 25. It is but natural that the problem of the Sino-Japanese wars hould be discussed. In Japan, the parliamentary form of Government has for a long time disappeared and the Diet has no influence on the policy of the Government. The Diet therefore will offer only the spectacle of Government officials trying to explain the actions of the military and lying to the whole world.

The Japanese premier has repeatedly declared in the Diet that Japan will respect China's territorial integrity and sovereign rights, that the interests of third parties will be protected and the Policy of the Open Door maintained. All these are but lies desi ned for foreign consumption, as clearly proven by the brutality of Japan's actions in China and the sufferings of third-party nationals.

The real aims of Japan are given in the four points enumerated by Mr. K. Hirota in the Diet, namely that Japan would stop recognising the National Government and that she may still declare war in order to stop sup lies of ammunition from reaching China, that Japan will be foster parent to the North China Government and that she will not tolerate any mediation by third parties. These four points closed the door to mediation efforts. The threat of a war declaration was designed to now the Western powers into refraining from sending war supplies to China. Finally, Japan openly announces her affiliation with the "illegithmate child," the North China Government.

These four points, however, do not mean a thing to China. The withdrawal of recognition from the National Government will not in the least affect the Government's standing both in China and abroad. The Chinese Government -- that is the National Government of China -- and the Chinese people are putting up a strong resistance against Japanese invasion. Eyen if Japan should declare war, that resistance would go on just the same. It will in no way affect China. The worst tactics ever adopted by Japan in China is the introduction of the policy of "Divide and Rule!" In other words, she is trying to make use of Chinese traitors to control the Chinese: Thus Japan is busily engaged in the organization of puppet Governments everywhere in Japanese controlled territories, With these puppet regimes, Japan concludes treaties for the fostering of her own interests.

Things have reached a stage in which mediation of any kind is totally impossible, according to the Japanese. As regards China, both the Government and the people will have to resist to the bitter end and to the world, this statement is being hurled as a challenge. The time has arrived for every foreign country with interests in the Far East to decide on a definite course. There is no time for hesitation or delay. Otherwise, the conflagration will soon spread to the respective territories of foreign countries. To extinguish the fire, the interested Powers must take immediate and resolute action.

Japan's political morale has been declining rapidly in recent years. If there are any real statesmen in Japan now, they should step forth boldly and take action to check the present crisis. The Japanese Premier must have disappointed the only Flder Statesman left, who had placed so much faith in him, especially by sacrificing liberty altogether and

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completely submitting to the military. The Japanese military are now turning back the clock. As there are no outstanding statemen left in Japan to save the situation, it is China's duty to do so. Cur duty is to intensify our campaign of armed resistance and to suppress Japanese militarism. For China, for Japan, for the entire Far East, we must fight on and on.

THE AUGLO-JAPANESE RELATIONSHIP

Wen Hui Fao or The Standard, Shanghai, February 5.

According to a report by Reuter from Tokyo, dated February 3, writes the Wen Hui Pao in an editorial on the fifth of February, Mr. K. Hirota, the Japanese Minister of Foreign Affairs in answering a number of questions in the Diet, declared that he would try to maintain the traditional friendship between Japan and Great Britain. Moreover, Japan would try to make foreign powers understand the new situation in the Far East and also try to make them change their policies in this part of the world. Hirota expressed the hope that Great Britain would be the first country to realise the new situation and to adopt a new policy.

Declaring that it is highly surprising to speak of traditional friendship between Japan and Great Britain at the present time of strained relations between the two countries, the paper continues: "Japan and Great-Britain have been allies for more than twenty years. Although this alliance was substituted by the Four-Power Agreement in the Washington Conference which included Great Britain, America, France and Japan, the British Government did at that time not effect any change of policy and depended entirely upon Japan to maintain her power in this part of the world. Because of the Anglo-Japanese Alliance, Japan conquered Russia and because of the Four-Power Agreement, Japan continued to dominate the Western shores of the Pacific. Because of her over-confidence in Japan, Britain even neglected her defense preparations in the Far East.

"During the Mukden Incident of 1951, Britain found herself in the grip of the Corld economic depression. Besides, the Anglo-Soviet relationship had not yet been readjusted. The British statesmen were still hoping that the Japanese politicians would be able to control the military and that the Open Door policy would be maintained. It was for these reasons that Britain declined the American gesture of cooperation in the Far East in 1932 which was designed to check Japanese aggression.

"It was only in April, 1935 when a Japanese spokesman made public the famus "Hands Off China' statement and after the establishment of the Japanese control over the oil sales in Manchuria, in the winter of the same year, that Great Britain realized that the 'traditional friend relationship' with Japan could not be depended upon. The naval discussions between Britain. America and Japan broke down at the same time and the British policy in the Far East gradually underwent a change.

"Great Britain has important economic interests in various parts of the world. Her diplomatic policy is always one of maintaining peace, so as to be able to develop the country's commerce. Although Britain has changed her attitude towards Japan, she has continued hoping against hope that Japan would come to her senses. Sir Leith-Ross was sent to

Japan twice to seek a formula of co-operation. Both these attempts proved to be failures.

interests in China suffered a heavy blow. The machine-gunning of the British Ambassador, the bombing of the British military attache, the shelling of British ships and the open anti-British domonstrations staged in Japan, all proved beyond the slightest doubt that the "traditional friendly relationship! could no more be depended upon."

In conclusion, the paper says: "Great Britain has clearly realized the changed situation in the Far East and she has grasped the real conditions in this part of the world. Building of more capital ships and trengthening of the naval base in Singapore are her answers to this situation."

\* \* \* \* \*

JAPAKIS FOLICY OF THE OPEN DOOR

Wen Hui Fao, or The Standard, February 4.

Japanese diplomats are at their best in coining new terms, writes the "Wen Hui Pao" in an editorial on February 4. No matter what the actual facts are, the Japanese diplomats are always in a position to give them a nice name. As regards the many blunders perpetrated by Japanese militarists in recent years, the diplomats in all cases invented a number of new terms in order to justify the action of the military. By now the entire world is tired of this verbiage.

Recently, the paper continues, another manifesto was issued by the Japanese Government in which is said that Japan has no territorial ambition in China and that she will maintain the "Open Door Policy." Whether or not Japan has any territorial ambition, it is useless to argue. Facts of the past few years, nay, of the past few months even, are ample proofs to this point.

In analysing anything Japanese, two diplomatic terms which the Japanese arevery fond of using, must be considered. They are "fait accompli" and "special privilege."

Then the Japanese first occupied the Northeastern provinces, their Gvernment repeatedly notified the American and European countries that the interests of third parties would be recognized. The statement was emphasized by declaring that there would be no change of the "Open Door Policy." Not soon afterwards, the puppet state of "Manchuluo" was established. Thereby the "Open Door" was half closed, a matter of "fait accompli." Later, Japan concluded a number of treaties with the "Manchuluo" Government and by virtue of these treaties, Japan acquired "special privileges" in the Northeastern Provinces.

In North China, the paper goes on to say, Japan is adopting the same policy. The proceedings in the North may even be regarded as superior to those in Manchuria. Before the "fait accompli" situation has been arranged, the Japanese are dominating the economic life of North China by the practice of smuggling, "secret transportation" in Japanese terms, Outwardly, the door in North China is wide open, but actually, the goods of Western countries are being squeezed out of the "Open Door" because the market is crowded with smuggled Japanese goods.

Now, the so-called "Provisional Government" of Pointing has been organized. The first move of the new pupper administration was to revise the tariff and reduce the Customs duties on Japanese imports by more than 20 per cent. From now on, the "Open Door" in Worth China, which in reality was only half open anyway, will gradually be entirely closed.

Large quantities of smuggled sugar found their way even to the Shanghai Market some time ago. Now, in addition to this, other kinds of smugled goods are pouring into Shanghai. According to refugees coming from other parts of Kiangsu and from Chekiang, smugled goods are being sold everywhere in the two provinces, showing that the situation is rapidly going from bad to worse even in the Shanghai area.

The protonse of keeping the door open is made by the Japanese for two reasons: (1) to induce a more favourable international a tmosphere vis a vis Japan and (2) in the hope that foreign Powers will invest capital in Chima.

But doeds speak louder than words. Instead of investing any funds in Japanese-controlled Chinese territory, the foreign howers are now building more capital ships. As regards the Singapore maneuvers, even America is sending ships to participate in them, possibly in order to show that Britain and America are ready to cooperate in them of war. The British Government have made it clear that they are controlling the finances carefully so that no loans willbe possible to the aggressors. All this goes to show that the British and American authorities have finally realized the seriousness of the present Far Eastern situation.

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"A HIGHLAY ROBBER'S LIE"

Ta Kung Pao, Hankow, January 18.

Commenting in scathing terms on the Japanese declaration of policy in China, the Ta Kung Pao (Hankow), in an editorial on January 18 declared: "After several conferences, the Japanese Government formally issued a declaration on its policy toward China. It read in part as follows: - 'The Japanese Government had, after the fall of Nanking, given the Chinese Government a final chance to reconsider its attitude toward Japan; but up to the present the National Government still does not understand Japan's true intentions and keaps onwaging a war without the least regard to the peace in the Far East. Therefore, the Japanese Government will from now on no longer deal with the National Government and hopes that a new government that would cooperate with Japan would be formed and developed. With this, the Japanese Government is ready to discuss matters for the improvement of relations between the two countries and will render assistance to the building of a new China. The policy of the Japanese Government to respect China's territorial integrity and sovereignty and the interests of the foreign powers in China will naturally remain with the least change.'

"The meaning of this statement consists of three points: repudiation of the National Government; readiness to recognize a puppet regime of Japan's own making; the lie that China's territorial integrity and sovereignty and foreign interests would be respected.

"The Japanese militarists have for years invaded Ohina and strained themselves for the propagation of hatred between the peoples of China

and Japan. They accuse China of being anti-Japan. But why should China be anti-Japan? The responsibility rests entirely on the shoulders of the Japanese militarists. Military Japan wanted to conquer China without a fight; but the Chinese Government and people took up arms for the defence of their country. Military Japan then wanted to wage a small-scale war and hoped that China would fall down on her knees to sue for peace; but the Chinese Government mobilized the entire country to war. Thereas military Japan hoped that China would accept her ruinous terms, the Chinese Government and people have sworn themselves not to be subdued. Therefore, militaristic Japan is under the three-fold predicament: (1) It has to fight; (2) It cannot wage a small-gcale war; (3) It cannot stop midway.

"What the Japanese militarists should openly regudiate the National Government representing four hundred fifty million people and cooperate with some regime organized by Chinese traitors is not unempected. As they do not repent and hesitate to continue war, they have to recourse to the repudiation of the National Government. In so doing they have varitably emplained to the world on China's behalf two things: (1) that China will never submit to aggressive Japan and (2) that the National Government will fight to the finish.

"As to the profession of respecting China's territorial integrity and sovereignty and the interests of the foreign powers, it is a shameless lie. Do you still call it respect for China's territorial integrity and sovereignty when provinces have been attacked and occupied, when many thousands of Chinese people have been slaughtered and when hundreds of millions of Chinese property has been destroyed? Do you call it respect for the interests of foreign powers when the British Ambassador has been wounded and an American gunboat has been bombed and sunk? This is a highway robber's lie. The one that tells it is absolutely ignorant of the fact that there is such a thing as shame among human beings."

The editorial ends with a warning to its countrymen that the only road open for survival is to continue fighting and charges the Chinese people with the responsibility of chastising the international outlaw and restoring peace in the Far East.

# # # # #

**DEPARTMENT OF STATE** 

#### DIVISION OF FAR EASTERN AFFAIRS

January 20, 1938.

Mr. Ballan

a.

A search of telegrams from all posts in the China from December 9, 1938 to date reveals no detailed reports of atrocities such as the "100 authenticated cases of rape" mentioned to make the case of in Tokyo's 39 of January 19, noon.

Telegrams atrocities in general but more particularly violation of American property

which have been repeated to Tokyo include:

Nanking's #5, January 6, 5 p.m.

" 9, " 8, 4 p.m.

" 10, " 8, noon

Shanghails 43" " 9 5 p.m. Shanghai's 43, " 8, 5 p.m.

Hankow's 104, December 25, 3 p.m.

Hanking's 21, January 13, noon

" 27, " 18, 4 p/m.

Three telegrams mentioning a Wuhu missionary's report of "ruthless treatment and slaugiter of civilians and wanton looting and destruction" and other atrocities have apparently not been repeated to Tokyo. They are:

Manking's - January 5, 4 p.m.
Nanking's 22, " 14, 9 a.m.
Tone of these telegrams go into detail and it it doubtful whether they would be of great interest to Tokyo

Tokyo **FROM** 

Dated January 19, 1938

Rec'd 7 a.m.

Secretary of State, Washington.

39, January 19, noon.

CONFIDENTIAL.

My British colleague has given me for my confidential information a paraphrase of a telegram dated January 15, from the British Embassy at Shanghai reporting actions of Japanese troops at Nanking. As we have had no reports on this subject from Shanghai or elsewhere I am cabling the text which was furnished to me as follows:

"I have been supplied confidentially with two separate and completely reliable reports, from an American missionary at Nanking and a missionary doctor at Wuhu who remained at their posts when the Japanese entered these cities, regarding the atrocities committed by the Japanese army. Reports quote approximately 100 authenticated cases of rape in the American University Buildings in Nanking in the first few days of the occupation.

The Reverend Boynton of the National Christian Council who brought me these reports stated that the Japanese

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/FG

JR

-2- #39, January 19, noon from Tokyo.

Embassy officials who reached Nanking shortly after the entry of the Japanese troops were horrified when they saw the orgy of drunkenness, murder, rape and robbery, which was going on openly in and around the refugee zone. Failing to make any impression on the military commander, whose attitude of callous indifference makes it probable that the army was deliberately turned loose on the city as a punitive measure, and despairing of getting cable through to Tokyo owing to military control, Embassy officials had even suggested to the missionaries that the latter should try and get publicity for the facts in Japan so that the Japanese Government would be forced by public opinion to curb the army.

I have been promised eye witness reports from Soochow and Hangchow where the behavior of the Japanese troops was equally bad and stories, apparently authenticated, regarding their behavior, in the neighborhood of Shanghai are now coming in ".

Repeated to Peiping for relay to Hankow.

GREW

RR:HPD

## **TELEGRAM RECEIVED**

JS

SOPATCOM

FROM

Rec'd January 19, 1938

4:30 a.m.

ACTION: OPNAV
INFO: CINCAF (ADMIN)
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COMDESRON 5
CINCLE
COMYANGPAT
AFAMPASSADOR SHINA
USS MARBLEHEAD
NIVAL ATTACHE PEIPING

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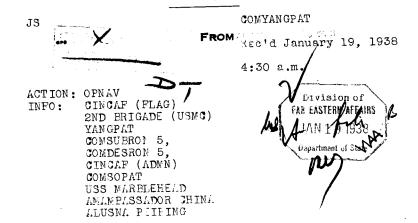
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## TELEGRAM RECEIVED



0017 Yangtze River ports quiet 2135

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# **TELEGRAM RECEIVED**

SENT TO O.M.I.O.

COMYANGPAT FROM

Rec'd January 19, 1938

4:30 a.m.

ACTION: INFO:

OPNAV

CINCAF (FLAG) 2ND BRIGADE (USM ) YANGPAT CONSUBRON 5, COMDESRON 5, CINCAF (ADMN) COMSOPAT AMAMPASSADOR CHINA USS MARPLEHEAD ALUSNA PEIPING

0018 Yangtze river ports quiet 2034.

JS

Division of FAR EASTERN FFMRS AMAN 1 Department of Sta

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#### TELEGRAM RECEIVED

JR

PLATN

COPIES SENT TO O.N.I. AND M.I.D.

FROM Hankow via N. R. Dated January 19, 1938

Rec'd 8 a.m.

Secretary of State.

Washington.

39, January 19, 9 a.m.

Following is Central News Agency's translation statement issued by the National Government last evening:

"Since the outbreak of the Lukouchiao incident in July last year the Chinese Government has repeatedly declared its readiness to seek an amicable settlement by any of the pacific reans known to international law. But Japan regardless of all consequences embarked upon a large scale invasion of China and a wanton massacre of her people by land naval and air forces. China was thus forced to act in self defence against violence and aggression.

During the last few months a large number of Chinese cities and towns have been illegally occupied by the Japanese army whereas not a single Chinese soldier has set foot on Japanese territory. Lives and property have been ruthlessly destroyed by the invaders. Soldiers who had  ${\sf giv}_{\sf E}$ up arms and helpless non combatants including women and children were murdered in cold blood while untold damage

was

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Harris Market Control of the Control

-2- #39, January 19, 9 a.m., from Hankow via N. R. was done to industrial and cultural enterprises.

That the action of Japan violates international law and the Anti-War Pact and the Nine Power Treaty has in unmistakeable terms been pronounced by the nations of the world. The responsibility for disturbing international peace clearly rests with Japan and not with China.

In spite of such well known facts Japan has now declared that she respects the territory and sovereign rights of China as well as the rights and interests of foreign powers in this country. It should be observed, however, that by respect for China's territory and sovereignty Japan means the dismembering of China through the creation by force of various unlawful organizations within Chinese territory and the making use of such organizations to usurp the sovereign rights of China. Likewise by respect for the rights and interests of foreign powers Japan means the securing of monopolistic rights through her predominant position in China.

The object of China's armed resistance is to safeguard her national existence and to maintain the sanctity of international treaties. Though her desires for peace remains unchanged China cannot tolerate any encroachment by any foreign country upon her sovereign rights and territorial and administrative integrity which are the essential attributes of her independent status and which all interested powers

1577

-3- #39, January 19, 9 a.m., from Hankow via N. R.

powers by a solemn treaty have pledged themselves to respect.

Under whatever circumstances the Chinese Government will exert its utmost to maintain the sovereign rights and territorial and administrative integrity of China. Any terms for the restoration of peace, if they do not conform to this fundamental principle, are necessarily unacceptable to China.

In the meantime all acts on such unlawful organizations as may be set up in areas under Japanese military occupation will be considered null and void both internally and externally by the Chinese Government.

Repeated to Peiping. Please mail to Tokyo.

JOHNSON

DDM

# NOTE

**DOCUMENT FILE** 

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12/39.

JR

PLAIN

Chefoo via N. R.

Dated January 14, 1938

Rec'd 5 a.m., 15th.

Secretary of State,

Washington.

Fourteenth.

Department's twelfth.

Service is well. Conditions in Chefoo are orderly and give no grounds for undue apprehension.

ALLEN

JS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Mittin 0, due lefter NARS, Date 12-18-75

### **TELEGRAM RECEIVED**

JR

GRAY AND SPECIAL GRAY

AMEMBASSY PEIPING AMEMBASSY VANKOW AMCONSUL SUANCHAI

Canton via N.R..
FROM
Dated January 18, 1938

Rec'd 8:55 a.m., 19th.

ision of

Secretary of State, Washington.

COPIES SULLI IN O.N.I. ALLEGA

January 18, 3 p.m.

Japanese operations this area since twelfth have included chiefly (one) constant raiding of Canton-Hankow Railway averaging three raids by average eight planes daily. Total of almost two hundred bombs dropped along Canton-Yingtak sector, in addition to about thirty at Shiuchow (GRAY) aviation Establishments (END GRAY) on fourteenth. Rolling stock frequently attacked and damaged including cars of two Hankow-Canton express trains. (GRAY AND SPECIAL GRAY). Total destruction of civilian life and property considerable. Cumulative damage to tracks interrupted through service to Hankow for several days but repaired this morning. (END GRAY AND SPECIAL GRAY) (two) Minor raiding of Canton-Hong Kong Railway fifteenth, sixteenth, seventeenth mostly confined to machine gunning of trains. Unimportant damage. (three) Intermittent raiding near Canton of points along Waichow and northern highways and East and north river junk traffic, (GRAY) with reported substantial destruction of non-combatant life and property. (END GRAY) (four) Somewhat increased

-2- January 18, 3 p.m., from Canton via N. R.

activity in minor naval exploratory and landing operations along coastal islands including a small raid on northeastern Hainan coast. Landing repulsed.

Recent vernacular press, has been featured by (one) much attention to American policy particularly by Kwantung Government newspapers which has carried series of editorials deploring alleged inability of United States Administration to carry out its policy of enforcing respect of American rights and peace in Far East due to obstinate influence of isolationists and moneyed interests. The same paper, however, interprets reported visit of American warships to Singapore as evidence that Britain and America are undertaking joint responsibility maintenance of peace and existing treaties in Far East. One paper has published a complimentary analysis of President's foreign policy and another an installment presentation of Stimson's views: (two) frequent editorials denouncing "deceitful" Japanese peace moves and demanding no consideration of peace negotiations until Japanese forces have withdrawn from Chinese territory; (three) revived demand for application of sanctions against Japan by League, America and Russia.

Mail Hong Kong, Swatow,

LINNELL

KLP: HPD

MICROCOPY **MICROCOPY**